



## CLARA INDUSTRIES LIMITED

Our Company was originally incorporated as a public limited company on September 02, 2021 as “Clara Industries Limited” vide Registration No. 151537 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company acquired the entire running business on a going concern basis with the Assets and Liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our Promoter, Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021. The Corporate Identification Number of our Company is U25209UP2021PLC151537. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 99 of this Prospectus.

**Registered Office:** 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India  
**Contact Person:** Mr. Anurag Saharawat, Company Secretary and Compliance Officer  
**Tel:** +91- 81718 84399; **E-mail:** info@clara.co.in; **Website:** www.clara.co.in

**OUR PROMOTERS: MS. PARRY KUKREJA AND MR. NIKHIL KUKREJA**

### THE ISSUE

PUBLIC ISSUE OF 7,02,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH (“EQUITY SHARES”) OF CLARA INDUSTRIES LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹43.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 33.00 PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING UPTO ₹ 301.86 LAKH (“THE ISSUE”) OF WHICH 36,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH FOR CASH AT A PRICE OF ₹ 43.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 33.00 PER EQUITY SHARE AGGREGATING TO ₹ 15.48 LAKH 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 6,66,000 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH AT A PRICE OF ₹ 43.00 PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 33.00 PER EQUITY SHARE AGGREGATING TO ₹286.38 LAKH (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.30% AND 26.84 % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

### THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10.00 AND THE ISSUE PRICE IS 4.3 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

In terms of Rule 19(2)(b)(i) of the SCRR this Issue is being made for at least 25% of the Post-Issue Paid-up Equity Share Capital of our Company. This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Issue is allocated for Retail Individual Applicants and the balance shall be offered to individual applicants other than Retail Individual Applicants and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the Non-Retail Portion offered to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Issue Price. Additionally, if the Retail Individual Applicants category is entitled to more than fifty per cent on proportionate basis, the Retail Individual Applicants shall be allocated that higher percentage.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of RIIs, if applicable, which will be blocked by the Self-Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to ‘Issue Procedure’ on page 191 of this Prospectus. A copy will be filed with the Registrar of Companies as required under Sections 26 and 32 of the Companies Act, 2013.

### RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10.00. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in ‘Basis for Issue Price’ beginning on page 66 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

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 the Issuer and the Issue including the risks involved. The Equity Shares in the Issue have neither been recommended nor approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Prospectus. Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 20 of this Prospectus.

### ISSUER’S ABSOLUTE RESPONSIBILITY

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


### LISTING

The Equity Shares issued through the Prospectus are proposed to be listed on the SME Platform of BSE Limited. Our Company has received ‘in-principle’ approvals from BSE for the listing of the Equity Shares pursuant to letters dated December 10, 2021. For the purposes of the Issue, the Designated Stock Exchange shall be BSE Limited.

### LEAD MANAGER TO THE ISSUE

  
**GRETEX CORPORATE SERVICES LIMITED**  
 Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400 001, Maharashtra, India.  
**Tel No.:** +91 – 22 – 4002 5273 / 98368 22199 / 98368 21999  
**Email:** [info@gretexgroup.com](mailto:info@gretexgroup.com) / [mbk@gretexgroup.com](mailto:mbk@gretexgroup.com)  
**Website:** [www.gretexcorporate.com](http://www.gretexcorporate.com)  
**Contact Person:** Ms. Dimple Magharam Slun  
**SEBI Registration No:** INM000012177  
**CIN:** U74999MH2008PLC288128

### REGISTRAR TO THE ISSUE

  
**BIGSHARE SERVICES PRIVATE LIMITED**  
 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400 059, Maharashtra, India  
**Tel No.:** +91 – 22 – 6263 8200; **Fax No.:** +91 – 22 – 6263 8299  
**E-mail:** [ipo@bigshareonline.com](mailto:ipo@bigshareonline.com)  
**Investor Grievance E-mail:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)  
**Contact Person:** Mr. Swapnil Kate  
**SEBI Registration No.:** INR000001385  
**CIN:** U99999MH1994PTC076534

### ISSUE PROGRAMME

**ISSUE OPENS ON: DECEMBER 16, 2021**

**ISSUE CLOSES ON: DECEMBER 21, 2021**

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This 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, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Financial Statements as Restated”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 68, 127, 209, 66, 99, 170 and 161 respectively, shall have the meaning ascribed to such terms in the relevant section.*

#### **GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“Clara Industries Limited”, “Clara”, “CIL” “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Clara Industries Limited, a public limited company incorporated under the Companies Act, 2013 and having Registered Office at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India.
Promoter(s) / Core Promoter	The promoters of our Company being Ms. Parry Kukreja and Mr. Nikhil Kukreja for further details, please refer to chapter titled “ <b>Our Promoters and Promoter Group</b> ” on page 120 of this Prospectus
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 “ <b>Our Promoters and Promoter Group</b> ” on page 120 of this Prospectus.

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Clara Industries Limited, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 102 of this Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s. Gupta Agarwal & Associates., Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 44 of this Prospectus.
Banker to our Company	Punjab National Bank, as disclosed in the section titled “ <b>General Information</b> ” beginning on page 44 of this Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 102 of this Prospectus.
CIN / Corporate Identification Number	U25209UP2021PLC151537
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 44 of this Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 44 of this Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Term	Description
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Financial Statements as Restated	The Restated Financial information of the Company, which comprises of the restated balance sheet, the restated profit and loss information and restated cash flow information, for the stub period ended on November 18, 2021 together with the annexure and notes thereto. together with the annexures and the notes thereto, which we have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer “ <i>Our Group Entities</i> ” on page 124 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <i>Our Management</i> ” beginning on page 102 of this Prospectus.
ISIN	International Securities Identification Number, being INE0JJS01014
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <i>Our Management</i> ” beginning on page 102 of this Prospectus.
MD or Managing Director	The Managing Director of our Company, Ms. Parry Kukreja
Manufacturing Unit or factory	Our Manufacturing Unit situated at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur Uttar Pradesh-247001 India.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on October 18, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Nomination & Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 102 of this Prospectus.
Proprietorship firm / firm	Proprietorship firm of our Promoter Ms. Parry Kukreja i.e. M/s Clara Petrochemicals which has been taken over by our Company.
Registered Office	The registered office of our Company situated at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India.
RoC / Registrar of Companies	Registrar of Companies, Kanpur situated at Registrar of Companies, 204, 2 <sup>nd</sup> Floor, Mall Rd, Westcott Building, Chunniganj, Kanpur-208001, Uttar Pradesh, India.
Stakeholders’ Relationship Committee	The Stakeholder’s relationship committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled “ <i>Our Management</i> ” beginning on page 102 of this Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited.
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted

Term	Description
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled titled “ <b>General Information</b> ” on page no. 44 of this Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being ICICI Bank Limited.
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “ <b>Issue Procedure</b> ” on page 191 of this Prospectus
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Circular’s on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant’s beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and

Term	Description
	contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.  In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Private Limited having its registered office at Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange / Stock Exchange	BSE Limited.
Draft Prospectus	This Draft Prospectus dated November 29, 2021, filed with the BSE Limited in accordance with the SEBI ICDR Regulations
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated November 10, 2021 entered into amongst the Company, Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
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	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of 7,02,000 Equity Shares of face value ₹10.00 each of Clara Industries Limited for cash at a price of ₹43.00 per Equity Shares (including premium of ₹33.00 per Equity Shares) aggregating ₹301.86 Lakh by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of

Term	Description
	general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of 7,02,000 Equity Shares of face value ₹10.00 each of Clara Industries Limited for cash at a price of ₹43.00 per Equity Shares (including premium of ₹33.00 per Equity Shares) aggregating ₹301.86 Lakh by our Company. Comprising of Fresh Issue 7,02,000 Equity Shares of face value ₹10.00 each of Clara Industries Limited for cash at a price of ₹43.00 per Equity Shares (including premium of ₹33.00 per Equity Shares) aggregating ₹301.86 Lakhs.
Issue Agreement	The agreement dated November 10, 2021, entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription
Issue Opening Date	The date on which the Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective Applicants can submit their Applications, including any revisions thereof.
Issue Price	The price at which Equity Shares are being issued by our Company being ₹43.00 per Equity Share (including premium of ₹33.00 per Equity Share)
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 60 of this Prospectus
Lead Manager / LM	The Lead Manager to the Issue, in this case being Gretex Corporate Services 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 3,000 and in multiples of 3,000 thereafter; subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated November 10, 2021 between our Company, the Lead Manager and Market Maker.
Market Maker Reservation Portion	36,000 Equity Shares of ₹10.00 each at ₹43.00 per Equity Share (including premium of ₹33.00 per Equity Share) aggregating to ₹15.48 Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue excluding the Market Maker Reservation Portion of 6,66,000 Equity Shares of face value of ₹10.00 each fully paid up for cash at a price of ₹43.00 per Equity Share (including premium of ₹33.00 per Equity Share) aggregating ₹286.38 Lakh by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended

<b>Term</b>	<b>Description</b>
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 and Section 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts 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, 2018.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated November 10, 2021 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
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 to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Self - Certified Syndicate Bank(s) or "SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or such other website as updated from time to time, and in in relation to RIBs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being ICICI Bank Limited.
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Private Limited.
Underwriting Agreement	The agreement dated November 10, 2021 entered into between the Underwriters, our Company and the Lead Manager.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and



Term	Description
	SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / 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.

## CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
AY	Assessment Year
B. A.	Bachelor of Arts
B. Com	Bachelor of Commerce
Bn	Billion
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
CST	Central Sales Tax
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility

Term	Description
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant's identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering

<b>Term</b>	<b>Description</b>
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
Mill & Fill	Removing the existing surface layer with a milling machine and then transporting the material to a storage facility
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NA	Not Applicable
NAV	Net asset value
NI Act	The Negotiable Instruments Act, 1881
No.	Number
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement

Term	Description
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Thermoplastic	A material, usually a plastic polymer, which becomes more soft when heated and hard when cooled
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### TECHNICAL / INDUSTRY RELATED TERMS

A.B.S	Acrylonitrile Butadiene Styrene
ASSOCHAM	Associated Chambers of Commerce and Industry of India
BCG	Boston Consulting Group
B2B	Business-to-business
BOPP	Biaxially oriented polypropylene
BPCL	Bharat Petroleum Corporation Limited
CAGR	Compound Annual Growth Rate
CPI	Consumer Price Index
CPP	Cast Polypropylene
DG Set	Diesel Generator Set
EU	European Union
EUR	EURO
Extrusion Technology	A metal forming process in which metal or work piece is forced to flow through a die to reduce its cross section or convert it into desire shape

FDI	Foreign Direct Investment
FMCG	Fast-moving consumer goods
FTA	Free Trade Agreement
FTP	Foreign Trade Policy
GAIL	Gas Authority of India Limited.
GDP	Gross Domestic Product
GFSR	Global Financial Stability Report
GST	Goods and Service Tax
GVA	Gross Value Added
HDPE	High-Density Polyethylene
IFIICC	The International Federation of Indo-Israel Chambers of Commerce
ILO	International Labour Organisation
IOCL	Indian Oil Corporation Limited
ISO	International Organization for Standardization
ITI	Industrial Training Institutes
KVA	Kilovolt-Ampere
LDPE or LD	Low Density Polyethylene
LED	Light-emitting diode
M&A	mergers and acquisition
MEIS	Merchandise Exports from India Scheme
MTPA	Million Tonnes Per Annum,
NASSCOM	The National Association of Software and Services Companies
NITI Aayog	National Institution for Transforming India
NPE	National Policy on Electronics
OPP	Oriented Polypropylene
PE	Private Equity
PE Rolls	Polyethylene Rolls
PET or PETE	Polyethylene Terephthalate
PLEXCONCIL	Plastics Export Promotion Council
PMI	Purchasing Managers' Index
PMAY(U)	Pradhan Mantri Awas Yojana (Urban)
PMGK	Pradhan Mantri Garib Kalyan Package
PMKK	Pradhan Mantri Kaushal Kendras
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMSBHGY	Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA)
PP Mats	Polypropylene Mats
PVC	Polyvinyl chloride
PVDC	Polyvinylidene chloride
RBI	Reserve Bank of India
SEIS	Service Exports from India Scheme
SARS-CoV-2	Severe Acute Respiratory Syndrome Coronavirus 2.
TARI	Thought Arbitrage Research Institute
T.D.S.	Tax Deducted at Source
Thermoplastic	A material, usually a plastic polymer, which becomes more soft when heated and hard when cooled
Toll	A charge payable to use a bridge or road.
UAE	United Arab Emirates
UV-resistant	Ultraviolet Resistance
US	United States
USA	United States of America
USD	United States Dollar
WEO	World Economic Outlook
WTO	World Trade Organisation

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

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” and “CIL”, unless the context otherwise indicates or implies, refers to Clara Industries Limited.

### **CERTAIN CONVENTION**

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

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in the Prospectus is derived from our financial statements prepared and restated for the stub period ended on November 18, 2021 in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2018 included under Section titled “*Financial Statements as Restated*” beginning on page 127 of this Prospectus. Our Company does not have any subsidiary, accordingly financial information relating to us is presented on Standalone basis only.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP and IND (AS). Accordingly, the degree to which the Restated Financial Statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, IND (AS), the Companies Act and the SEBI (ICDR) Regulations, on the Restated Financial Statements presented in this Prospectus should accordingly be limited. Although we have included a summary of qualitative and quantitative differences between Indian GAAP and IND (AS), our financial statements reported under IND (AS) in future accounting periods may not be directly comparable with our financial statements historically prepared in accordance with Indian GAAP, including disclosed in this Prospectus. You should consult your own advisors regarding such differences and their impact on our financial data.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 127 of this Prospectus

### **CURRENCY AND UNITS OF PRESENTATION**

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹.’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

## DEFINITIONS

For definitions, please see the Chapter titled *“Definitions and Abbreviations”* on page no. 1 of this Prospectus. In the Section titled *“Main Provisions of Articles of Association”* beginning on page no. 209 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified either by the Company or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, *“Basis for Issue Price”* on page no. 66 of this Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *“Risk Factors”* on page no. 20 of this Prospectus.

## EXCHANGE RATE

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has 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.

## **FORWARD LOOKING STATEMENTS**

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

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

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Flexible packaging sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Impact of the COVID-19 pandemic on our business and operations;
2. General economic and business conditions in India and other countries;
3. Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
4. Effect of lack of infrastructure facilities on our business;
5. Our ability to attract, retain and manage qualified personnel;
6. Dependence on our information technology system;
7. Our ability to successfully implement our growth strategy and expansion plans, technological changes;
8. Changes in fiscal, economic or political conditions in India;
9. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
10. The performance of the packaging Industry in India and globally;
11. Any adverse outcome in the legal proceedings in which we are involved;
12. The occurrence of natural disasters or calamities;
13. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
14. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
15. Conflict of Interest with group companies, the promoter group and other related parties



16. Changes in the value of the Rupee and other currencies;
17. Other factors beyond our control; and
18. Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please see the section titled “*Risk Factors*”, chapters titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 20, 82 and 149 of this Prospectus, respectively.

Neither our Company, our Directors, our Promoters, the Lead Manager 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 will ensure that investors in India are informed of material developments from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## **SECTION II: SUMMARY OF ISSUE DOCUMENT**

### **A. OVERVIEW OF INDUSTRY**

Over the past 8 to 10 years, India has achieved tremendous growth in terms of industrialization and globalization. The inherent result of which, there has been tremendous demand of modern technologies and upgradation of quality of packaging and in general, the quality of life. India has achieved huge rise in food production brought about by the Green Revolution. Food industry offers what is unquestionable, one of the largest opportunities for growth in India today. The industry will play a vital and positive role in the Indian economy. To reach such phenomenal growth, it is quite evident that the processing and preservation technology of food products has to keep pace with the growth. Hence, it is expected that the modern technology of flexible packaging like Aseptic Packaging, Barrier Packaging, Controlled Atmospheric Packaging will make big inroads in India.

The growth in the flexible packaging industry in India is mainly driven by the food and the pharmaceutical packaging sectors. The large and growing Indian middle class, along with the growth in organised retailing in the country are fueling growth in the flexible packaging industry. Another factor, which has provided substantial stimulus to the packaging industry is the rapid growth of exports, which requires superior packaging standards for the international market. The Indian packaging industry is dominated by plastic flexible packaging. The traditional rigid packaging users have also been seen to shift to flexible packaging in recent times. According to industry sources, the main reason for this is that flexible packages are found aesthetically attractive, cost-effective and sturdy. Consumer preference for the use of convenient packaging and packaged products in affordable quantities in laminates is also one of the main reasons that have contributed to the growth of flexible packaging in India. The food-processing sector is the largest user of flexible packaging, accounting for more than 50% of the total demand. The flexible packaging segment is estimated to be growing at over 35% annually.

The Indian packaging industry is currently \$18.8 billion with a growth rate of above 12.36% per annum - more than twice the global average while our GDP growth was 6-8%. Not only is the industry growing rapidly but it is also creating lucrative jobs for those who find a career in it. The packaging industry is expected to grow at 18-20% and is expected to reach \$43.7 billion by 2022. India's per capita consumption of packaging is only 4.3 kg per person per annum, as against Germany's 42 kg and China's 20 kg, which is very low compared to global standards.

### **B. OVERVIEW OF BUSINESS**

We are engaged in business of providing flexible plastic packaging solutions to our clients, we serve varied sectors spanning FMCG, Consumer Product, Hardware Tools, Hospitality, Housekeeping, Pharmaceuticals, Clothing & Hosiery, Edible Oil, Salt and Sugar. Our Company is known in the industry for manufacturing and supplying of high-end multilayer Plastic bags and multilayer Plastic rolls in India. In flexible packaging, we do manufacture printed films with surface printing as well as reverse printing, between 51 micron and above as mandate by government laws and also laminates in two-, three- and four-layer structure. We also manufacture standing pouches, side gazette pouches, Press & lock pouches and other pouches as per customer's requirement. Our Company has installed various testing equipment by virtue of which it will develop new packaging solutions at cheaper cost without affecting quality of the products. We regularly conduct batch wise tests on all our products for examining their strength, quality aspects etc. Our machines are capable of manufacturing multiple products at one point of time Our Business is not seasonal in nature but demand for some items such as Plastic bangles and peanuts packaging boost during seasons. We manufacture plastic bangles which sells mostly during the festive time like Diwali and Karva Chauth whereas demand for peanuts tend to increase during the period September to January. Moreover, our promoters has been in the industry for more than decade, by using his experience our company do assemble plastic packaging machines for client. This is an additional business that the company runs.

Our product range includes;

- a) Packaging Films.
- b) Flexible Packaging.
- c) Horticulture Bags.
- d) HDPE Bottles.
- e) Plastic Matts.
- f) Printed and non-printed Plastic Sheets.

g) Plastic Bangles.

### C. OUR PROMOTERS

As on date of filing of Prospectus our company is promoted by Ms. Parry Kukreja and Mr. Nikhil Kukreja.

### D. DETAILS OF THE ISSUE

<b>Equity Shares Offered</b> Present Issue of Equity Shares by our Company	Issue of 7,02,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating upto ₹ 301.86 Lakh.
<b>Out of which:</b>	
<b>Fresh Issue</b>	7,02,000 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating upto ₹ 301.86 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	36,000 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 15.48 Lakh.
<b>Net Issue to the Public</b>	6,66,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 286.38 Lakh.

### E. Object of the Issue

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

Particulars	(₹ in Lakhs)	
	Amount*	
Working Capital Requirements	200.00	
General Corporate Purpose	64.46	
<b>Total</b>	<b>264.46</b>	

### F. PRE - ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoters	17,78,938	100.00
2. Promoter Group	28	Negligible

### G. SUMMARY OF RESTATED FINANCIAL INFORMATION

Particulars	(₹ in Lakhs)	
	For the stub period ended November 18, 2021	
Share Capital	25.41	
Reserves and surplus	163.17	
Net Worth	188.59	
Total Income	62.74	
Profit after Tax	30.48	
Total Borrowings	85.00	
<b>Other Financial Information</b>		
Basic & Diluted EPS (Post Bonus) (₹)	9.11	
Return on Net worth (%)	16.16	
Net Asset Value Per Share (₹)	74.21	

### H. QUALIFICATION OF THE AUDITORS

The Auditor report of Restated Financial Statements of our Company, for the stub period ended on November 18, 2021 does not contain any qualification which have not been given effect to in Restated Financial Statements.

## I. SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

(₹ in Lakhs)

Nature of Case	Number of Cases	Amount Involved*
<b>Company: Clara Industries Limited</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>		
<b>Promoters</b>		
<b>Direct Tax</b>		
E-Proceedings	02	Unascertained
Outstanding Demand**	NIL	NIL
TDS	NA	NA
<b>Indirect Tax</b>		
<b>Directors #</b>		
<b>Direct Tax</b>		
E-Proceedings	01	Unascertained
Outstanding Demand**	01	0.07
TDS	NA	NA
<b>Indirect Tax</b>		
<b>Group Companies</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>		

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

\*\*All outstanding demands prior to AY 2020-2021 is not yet made available on the Income Tax new updated portal.

For the details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 161 of this Prospectus.

## J. RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page 20 of this Prospectus.

## K. SUMMARY OF CONTINGENT LIABILITIES

The following is a summary table of our contingent liabilities as on November 29, 2021:

Sr. No.	Particulars	Amount (in ₹)
1.	Income Tax demands / Notices before CIT Appeals / TDS	NIL
2.	Bank Guarantees / Corporate Guarantees	NIL

For further information, please see “*Financial Statements as Restated*” beginning on page 127 of this Prospectus.

## L. SUMMARY OF RELATED PARTY TRANSACTIONS

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors and their relatives as mentioned below:

(₹ in Lakhs)

Particulars	For the stub period ended November 18, 2021
Remuneration	NIL
Loan Taken	3.15
Amount repaid / Loan given	20.65
Net Assets Taken through BTA	65.36

Particulars	For the stub period ended November 18, 2021
Sales Made	19.03
<b>Total</b>	<b>108.19</b>

For details of the Related Party Transactions as reported in the Restated Financials, please refer "*Related Party Transactions*" on page no. 125 of this Prospectus.

#### **M. FINANCING ARRANGEMENTS**

There are no financing arrangements whereby our Promoters, members of Promoter Group, the Director of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of 6 months immediately preceding the date of filing of this Prospectus.

#### **N. WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS PROSPECTUS**

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as below:

Name of the Promoters	Weighted Average Price (₹)
Ms. Parry Kukreja	6.25
Mr. Nikhil Kukreja	17.76

#### **O. AVERAGE COST OF ACQUISITION**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

Name of the Promoters	Average Cost of Acquisition (₹)
Ms. Parry Kukreja	6.25
Mr. Nikhil Kukreja	17.76

#### **P. PRE-IPO PLACEMENT DETAILS**

Our Company has not proposed any Pre-IPO Placement in this Issue.

#### **Q. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Other than as disclosed in "*Capital Structure*" on page 51 of this Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Prospectus.

#### **R. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Other than as disclosed in "*Capital Structure*" on page 51 of this Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.

### SECTION III: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

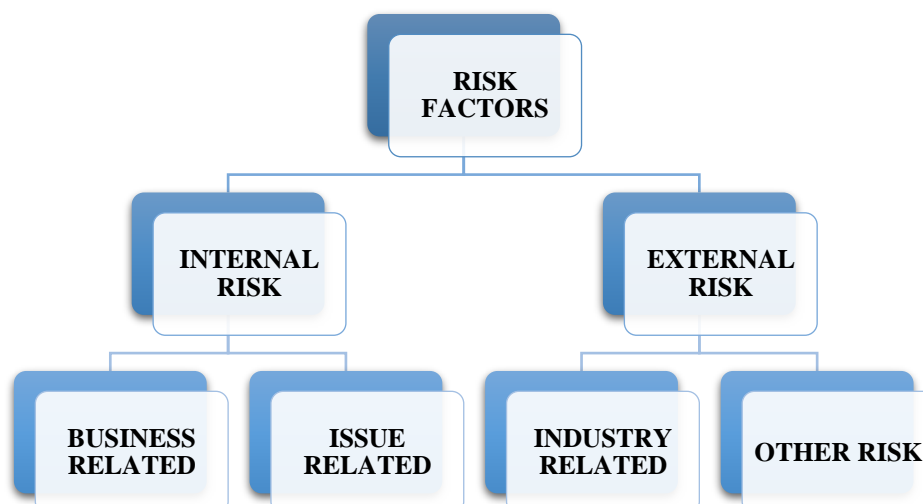
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “*Our Business*” beginning on page 82 “*Our Industry*” beginning on page 71 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 149 respectively, of this Prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



## INTERNAL RISKS

### A. BUSINESS RELATED RISKS

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

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving Our Company is provided below:

A classification of legal proceedings as on November 29, 2021 is mentioned below:

(₹ in Lakhs)

Nature of Case	Number of Cases	Amount Involved*
<b>Company: Clara Industries Limited</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>	NIL	NIL
<b>Promoters</b>		
<b>Direct Tax</b>		
E-Proceedings	02	Unascertained
Outstanding Demand**	NIL	NIL
TDS	NA	NA
<b>Indirect Tax</b>	NIL	NIL
<b>Directors #</b>		
<b>Direct Tax</b>		
E-Proceedings	01	Unascertained
Outstanding Demand**	01	0.07
TDS	NA	NA
<b>Indirect Tax</b>	NIL	NIL
<b>Group Companies</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

\*\*All outstanding demands prior to AY 2020-2021 is not yet made available on the Income Tax new updated portal.

2. *Our Company has been formed specifically for the purpose of acquisition of the business of M/s Clara Petrochemicals (Proprietorship firm 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 September 02, 2021. After incorporation, company has taken-over the running business of Proprietorship firm of our Promoter i.e., M/s Clara Petrochemicals for expansion of the business of Company. We have very limited operating history 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 be volatile.

The business of providing flexible plastic packaging solutions was earlier carried by proprietorship firm which is recently taken over by our Company, although the proprietorship has placed the growth in past years, and will continue to place by our Company but there is no assurance that this growth will be met successfully in future. We may not be able to increase

revenue or maintain profitability on a quarterly or an annual basis. If this occurs, our results of operations and financial condition will be adversely affected. Our growth exposes us to a wide range of increased risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls. There can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits in terms of growth and profitability. Further, we may be unable to develop adequate systems, infrastructure and technologies, devote sufficient financial resources or develop and attract talent to manage our growth. Our inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects. For further details, see the section titled **“Our History and Certain Other Corporate Matters”** and **“Financial Statements as Restated”** on page 99 and 127 respectively in this Prospectus.

**3. An increase in the prices of our basic raw material i.e., Plastic granules and PET Sheets could raise our manufacturing costs and could adversely affect our profitability.**

We have no control on the prices of our basic raw material i.e., Plastic granules and PET Sheets. The prices of these raw materials fluctuate daily due to availability and demand. In the recent past, there have been fluctuations in the prices of our raw material both at domestic and international levels. Such fluctuations in prices of raw material and our inability to negotiate at optimum market rates may affect our profitability. We typically do not enter into any long-term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

**4. We generally do business with our customers on purchase order basis and do not enter into long term contracts with most of them.**

Our business is dependent on our continuing relationships with our customers. Our Company neither has any long-term contract with any of customers nor has any marketing tie up for our products. Further, our Company has not appointed any exclusive agents for handling its operations. Any change in the buying pattern of our end users or disassociation of major customers can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure new orders on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations. We have not entered in any agreement with our customers, we work on the basis of purchase order basis.

**5. Business Transfer Agreement executed between M/s Clara Petrochemicals and our Company contains some restrictive covenants with certain terms and conditions. Inability to effectively service / comply the terms and conditions, comply with or obtain waivers of some covenants, as the case may be, may adversely affect our business, results of operations and financial conditions.**

Ms. Parry Kukreja, promoter of our company was carrying the business of providing flexible plastic packaging solutions through its Proprietorship firm in the name of M/s Clara Petrochemicals which was taken over by our company vide Business Transfer Agreement dated October 29, 2021. Further the company does not have any specific business except for the business acquired from the proprietorship concern in case of the company is unable to develop the said business effectively or in a profitable manner then it may have an adverse effect on the operation and profitability of the company. For further details, relating to our history of our company of our company. Please refer to the chapter titled **“Our History and Certain Other Corporate Matters”**, **“Our Business”** and **“Financial Statements as Restated”** on pages 99, 82 and 127. Inability to effectively comply any clauses of BTA agreement, comply with or obtain waivers of certain terms and conditions, as the case may be, may adversely affect our business, results of operations and financial conditions. Also, our Company may face regulatory proceedings including RBI w.r.t. to the Receipt / Payment of the Debtors / Creditors taken over etc. For further details, please see the section entitled **“Statement of Financial Indebtedness”** on page 160. Further, the company has applied or in some cases will apply, for the transition or endorsement of name of the company on many of the documents, registration, bank account and other documents which are in the name of our promoter Ms. Parry Kukreja or Clara Petrochemicals. Any delay in the said transition may require the company to pay any penalty or refusal from any authority of such transition or endorsement which may affect the financial position and operation of our company.

**6. The property and some machines used by the Company for the purpose of its operations is not owned by us. Any termination of the relevant rent agreement in connection with such property or our failure to renew the same could adversely affect our operations.**

We currently operate our registered office and factory, located at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India, which are not owned by us. We have obtained this property on rent



from our director & promoter. Also, few machine that we use for manufacturing is been taken on lease from our promoter Mr. Nikhil Kukreja. Periodic renewals of such lease may increase our costs, since it is subject to rent escalation. Any termination of the lease and / or rental deed in connection with these properties or our failure to renew the same, and upon favourable conditions, in a timely manner or at all could adversely affect our operations. For details regarding properties taken on lease refer the Section titled — Properties – **“Our Business”** beginning on page no. 82 of this Prospectus.

***7. 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. 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. Further, we operate in highly competitive markets in relation to our products where it is difficult to predict whether and when we will receive such awards. As a result, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when such orders are awarded to us and the commencement and progress of work under the orders placed. For further details of our business, please refer chapter titled **“Our Business”** beginning on Page 82 of this Prospectus.

***8. Our business involves usage of manpower and any unavailability of our employees or shortage of contract labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.***

Our business involves usage of manpower and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations. We may not be able to secure the required number of labourers required for the timely execution of our projects for a variety of reasons including, but not limited to, possibility of disputes with sub-contractors, strikes, less competitive rates. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required by such state governments to be paid to such contract labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

Further, there can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. This may adversely affect our business and cash flows and results of operations.

***9. There may be potential conflict of interests between our Company and other venture or enterprises promoted by our promoter.***

Our Promoter Mr. Nikhil Kukreja runs a sole Proprietorship named Chand Plastic Corporation. The main business object / activities of firm permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other companies in which our Promoter have interest.

***10. Our business is capital intensive. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our operations.***

Our business requires a significant amount of working capital which is based on certain assumptions, and therefore, any change of such assumptions would result in changes to our working capital requirements. In many contracts, significant amounts of working capital are required to finance the purchase or manufacturing of materials, mobilization of resources and other work on projects before payment is received from clients. Our working capital requirements may increase due

to an increase in the size of our operations and the number and size of projects that are required to be executed within a similar timeframe.

Our capital expenditure requirements and growth strategy thus require continued access to significant amounts of capital on acceptable terms. We cannot assure you that market conditions and other factors will permit future project and acquisition financings, debt or equity, on terms acceptable to us. Our ability to arrange financing and the costs of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from financial institutions, the amount and terms of our existing indebtedness, investor confidence, the continued success of current projects and laws that are conducive to our raising capital in this manner.

***11. Heavy dependence on our Promoters 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 Promoters, along with support of our management team for the continuous success and growth of our organization. Our promoter Mr. Nikhil Kukreja is responsible for the execution of our day-to-day business affairs. Also prior to the incorporation and acquisition of the business he was running business under the proprietorship concern which have been acquired by our Company. The loss of our Promoters or failure to recruit suitable or comparable replacements could have an adverse effect on our business operations and growth strategies. For Details of our Promoters, please refer chapter titled ***“Our Promoters and Promoter Group”*** beginning on Page 120 of this Prospectus.

***12. We have not yet applied for the registration of our logo. 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 logo which is not yet registered in the name of our Company neither we have made any application for the 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 Statutory Approvals”*** on page 167 of this Prospectus.

***13. Our Company has not taken any insurance which may expose our company from potential losses to which we may be subject to risk and this may have a material effect on our business and financial condition.***

Our Company has not taken any insurance policy related to our registered office, factory, machines, stock, finished goods and for keyman Insurance policy of our Company. Any unforeseen situation or any liability will not compensate due to absence of Insurance policy. Further, our business involves risks which may adversely affect our profitability, including failure of systems and employee frauds. We cannot assure you that the operation of our business will not be affected by any of the incidents listed above or by other factors. In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

***14. 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 such as technical competence, distribution network, pricing and timely delivery. 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.

***15. We have been recently incorporated as company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.***

Our Company has been recently incorporated to acquire the entire business with the assets and liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our Promoter Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021. The provisions of the Companies Act were not applicable to us earlier. However, consequent to the aforesaid incorporation, our Company is subject to compliance of various provisions of the Companies Act such as repayment of amounts falling under the definition of deposits under the Companies Act, 2013, prior approval for entering into related party transactions, filing of relevant RoC forms, rules pertaining to declaration of dividends etc. Though our Company will endeavour to take all possible steps comply with the provisions of the Companies Act, but in case of our inability to do so or in case of any delay, we may be subject to penal action from the appropriate authorities which may have an adverse effect on our financial and operational performance and reputation.

***16. Our business experiences an increase in sales and profits of a particular product that we manufacture namely plastic bangle during the Festive seasons such as Diwali and Karva Chauth and also other significant seasons. Any substantial decrease in our sales during such periods and our inability cope up with our service during this time, then our revenues and profitability will be affected and have a negative effect on our image and brand.***

Our business is experience significant increase in our sales and profits during the Festive seasons such as Diwali and Karva Chauth. In the year 2021 we saw a jump in sales in the above-mentioned product which has generated good profits for a particular period. We can't promise the same profit margins can be attained by the company in other products and during whole year, any significant shortfall in sales or our inability to cope up with the growing demands during this period, would affect our profitability and we would experience adverse effect on our results of operations.

***17. The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted.***

The continuing effect of the COVID-19 pandemic on our business and operations is highly uncertain and cannot be predicted. In late calendar 2019, COVID-19, commonly known as "novel coronavirus" was first reported in Wuhan, China. Since then, the virus has progressively spread globally too many countries. The World Health Organization declared the COVID-19 outbreak as a health emergency of international concern on January 30, 2020 and thereafter categorised the outbreak as a pandemic on March 11, 2020. In order to contain the spread of COVID-19 virus, the Government of India initially announced a 21-day lockdown on March 24, 2020, which, after being subject to successive extensions, is being relaxed currently. During the duration of the lockdown, there were several restrictions in place including travel restrictions and directive to all citizens to not move out of their respective houses unless essential. Whilst the lockdown required private, commercial and industrial establishments to remain closed, subsequently manufacturing units of essential commodities were permitted to be functional. The team members have been working from home during lockdown and have been able to execute their responsibilities and service clients without any disruption, difficulty or delay. A rise in number of infected cases of COVID-19 in the country, there is no certainty if additional restrictions will be put back in place or if another lockdown would be re-imposed to control the spread of the pandemic. We cannot assure you that we may not face any difficulty in our operations due to such restrictions and such a prolonged instance of lockdown may adversely affect our business, financial condition and results of operations. Further, our ability to ensure the safety of our workforce and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the wellbeing of our employees. The ultimate impact will depend on a number of factors, many of which are outside our control. These factors include the duration, severity and scope of the pandemic, the impact of the pandemic on economic activity in India and globally, the eventual level of infections in India, and the impact of any actions taken by governmental bodies or health organisations (whether mandatory or advisory) to combat the spread of the virus. These risks could have an adverse effect on our business, results of operations, cash flows and financial condition. To the extent that the COVID19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

***18. If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Our Company has been recently incorporated and started business by takeover of running proprietorship firm of our Promoter i.e., M/s Clara

Petrochemicals which deal in manufacturing and trading of flexible plastic packaging. For the same our Company has made applications to regulatory authorities for grant of the following Government / statutory approvals and licenses.

Currently all the licenses are in the name of firm and we have made application for the new license in the name of the company. We cannot assure that there is no other statutory / regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business. Additionally, we believe that we will be able to renew or obtain such registrations and approvals or permissions, as and when required, there can be no assurance that the relevant authorities will renew or issue any such registrations or approvals in the time frame anticipated by us or at all. If we are unable to renew, maintain or obtain the required registrations or approvals, it may result in the interruption of our operations and may have a material adverse effect on our revenues, profits and operations.

***19. Breakdown of machinery and / or equipment used for the purpose of manufacturing process***

Any breakdown or defect in the machinery and / or the equipment used for the purpose of our manufacturing process may delay the production process as a whole and result in missing deadlines in delivery of product if we are able to repair the machines or replace it within relevant timelines. Any such delays may have an adverse effect on the business of the Company.

***20. Our Company has not created charge for the secured loan which was transferred by virtue of Business Transfer Agreement between Clara Petrochemicals (Proprietary Firm) and our Company. Also, the company was unable to get any Sanction letter or any agreement from Punjab National Bank.***

A secured loan amounting to Rs. 58.65 Lakh was transferred by virtue of Business Transfer Agreement between Clara Petrochemicals and our Company, this loan was granted by Punjab National Bank and a charge was created on the property of proprietary Ms. Parry Kukreja. An application has been made to the bank on November 23, 2021 to transfer the same in the name of the company and the bank acknowledge our request, once process will be completed, the bank will provide the necessary documents required in this matter and due to this the company was not able to file CHG-1 with ROC since the company did not receive the documents from bank. Once the company receive the documents, the company will file the form CHG-1 which is required to be filed in this matter, once the company get the documents from bank, it will file all the requisite forms and documents with the concerned authorities as soon as practically possible. However, if the Loan is not transferred from the Proprietorship Firm to the Company, it may have an adverse effect on the business of the Company.

***21. Some of the details mentioned in the respective KYC Documents of our promoters and Directors are not same as other KYC documents.***

Details of promoters and management such as Name, Date of Birth, Address, etc shall be incorporated in the Prospectus. While going through the KYC documents such as Aadhaar Card, PAN, Passport, Driving License and Voting Id, it was found that certain details mismatch with each other. For example, the Address in some KYC document is not matching with other document.

***22. Deactivation of DIN of our Promoters in Companies in which they were Directors earlier***

Our Promoters and Directors Ms. Parry Kukreja and Mr. Nikhil Kukreja's DIN was deactivated due to non-filing Annual Returns in one of the company in which they were Directors. Ms. Parry Kukreja and Mr. Nikhil Kukreja had made application and reactivated the DIN after following the procedure but in future instances may come when they don't file Annual Returns of Companies and their DIN may get deactivated again.

***23. If we are unable to respond to the demands of our existing and new clients, or adapt to technological changes or advances, our business and growth could be adversely affected.***

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services, capabilities and technologies on a timely and cost-effective basis. We also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a

timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth.

***24. 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.

***25. We continue to explore the diversification of our business and the implementation of new services. These diversifications and our other strategic initiatives may not be successful, which may adversely affect our business and results of operations.***

In order to achieve our goal, we are constantly evaluating the possibilities of expanding our business through new models, innovations and / or starting new services. Although we believe that there are synergies between our current business and our expansion plans, we do have experience or expertise in these new areas. These new businesses and modes of delivery and the implementation of our strategic initiatives may pose significant challenges to our administrative, financial and operational resources, and additional risks, including some of which we are not aware of. The early stages and evolving nature of some of our businesses also make it difficult to predict competition and consumer demand therein. Our strategic initiatives require capital and other resources, as well as management attention, which could place a burden on our resources and abilities. In addition, we cannot assure you that we will be successful in implementing any or all of our key strategic initiatives. If we are unable to successfully implement some or all of our key strategic initiatives in an effective and timely manner, or at all, our ability to maintain and improve our leading market position may be negatively impacted, which may have an adverse effect on our business and prospects, competitiveness, market position, brand name, financial condition and results of operations.

***26. In our financials there is an outstanding loan in the name of Ms. Shanta Rani. This loan was given by the proprietor firm, upon takeover of the firm through BTA the said Loan was transferred to the company.***

As per the Companies Act, 2013, a Company cannot grant a loan to Director or their Relatives. Mrs. Shanta Rani is mother of our promoter hence she is considered as relative. Our Company is in process of repaying the Loan in near future. There is a risk that company may be penalised for the said transaction and this would effect our financial position.

***27. General economic and market conditions in India and globally could have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.***

Our business is highly dependent on economic and market conditions in India and other jurisdictions where we operate. General economic and political conditions in India, such as macroeconomic and monetary policies, industry-specific trends, mergers and acquisitions activity, legislation and regulations relating to the financial and securities industries, household savings rate, investment in alternative financial instruments, upward and downward trends in the market, business and financial sectors, volatility in security prices, perceived lack of attractiveness of the Indian capital markets, inflation, foreign direct investment, consumer confidence, currency and interest rate fluctuations, availability of short-term and long-term market funding sources and cost of funding, could affect our business. Global economic and political conditions may also adversely affect the Indian economic conditions. Market conditions may change rapidly and the Indian capital markets have experienced significant volatility in the past. The Indian economy has had sustained periods of high inflation in the recent past. If inflation or real interest rates were to rise significantly, the trends towards increased financial savings might slow down or reverse, our employee costs may increase and the sales of many of our products and services may decline.

***28. We are dependent on third party transportation providers for delivery of material from our suppliers and delivery of our finished products to our customers. Any failure on part of such service providers to meet their obligations could have a material adverse effect on our business, financial condition and results of operation.***

Our success depends on the smooth supply and transportation of material from our supplier to our warehouse & processing unit and from our warehouse & processing unit to our customers both of which are subject to various uncertainties and risks. In addition, products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and our results of operation negatively. A failure to maintain a continuous supply of our products to our customers in an efficient and reliable

manner could have a material and adverse effect on our business, financial condition and results of operations. For further details of our business, please refer chapter titled ***“Our Business”*** beginning on Page 82 of this Prospectus.

***29. Any deficiency in our products could make our Company liable for customer claims, which in turn could affect our Company's results of operations.***

Our Company is bound by the terms and conditions as placed before its customers. There are no specific regulations governing the supply of the same, other than the general law of contracts. Any claims made by these customers for deficiency in our products, would be subject to these terms and conditions, which are in the nature of normal contractual obligations in India. Any violation of these obligations could impact our Company's results of operations. For further details of our business, please refer chapter titled ***“Our Business”*** beginning on Page 82 of this Prospectus.

***30. Our company in some cases manufacture its product through job work from third party which is expose to risk of quality and durability of our Products.***

Our company in some cases manufacture its product through job work from third party. There is possibility that our company may face rejection of product on several occasions which exposes us to risk of additional losses. We may not be able to deliver the requisite quality of products to the customers which in turn would affect the credibility, profitability and cash flows of our company.

***31. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances.***

A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, revenue and ability to meet customer demand. Our business involves manufacturing processes that can be potentially dangerous to our employees. An accident may result in loss of life, destruction of property or equipment, manufacturing, or delivery delays, or may lead to suspension of our operations and / or imposition of liabilities. While we believe we may maintain adequate insurance, interruptions in production as a result of an accident may also increase our costs and reduce our revenue, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we or our senior management may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects. Any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

***32. Failure to manage our inventory could have an adverse effect on our net sales, profitability, cash flow and liquidity.***

The results of operations of our business are dependent on our ability to effectively manage our inventory for work purpose and stocks of finished products. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and purchase new inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. Further, if we fail to sell the inventory we purchase, we may be required to write-down our inventory or pay our suppliers without new purchases, or create additional vendor financing, which could have an adverse impact on our income and cash flows. We estimate our sales based on the demand and requirements and also on the customer specifications. In addition, disruptions to the delivery of products to our warehouse or customer may occur for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt supply of these products. If we over-stock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

***33. We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies in Packaging Industry.***

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;

- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

**34. Our inability to manage growth could disrupt our business and reduce our profitability. We propose to expand our business activities in coming financial years.**

We expect our future growth to place significant demands on both our management and our resources. This will require us to continuously evolve and improve our operational, financial and internal controls across the organisation. In particular, continued expansion increases the challenges we face in:

- Our ability to acquire and retain clients for our services;
- Services, products or pricing policies introduced by our competitors;
- Capital expenditure and other costs relating to our operations;
- The timing and nature of, and expenses incurred in, our marketing efforts;
- Recruiting, training and retaining sufficient skilled technical and management personnel;
- Adhering to our high quality and process execution standards;
- Maintaining high levels of customer satisfaction;
- Developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, and other internal systems.

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

**35. Our Company has a negative cash flow in its operating activities and Investing activities in the year 2021, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Our Company had negative cash flows from our operating activities as well as investing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

(₹ in lakh)

Particulars	For the stub period ended November 18, 2021
Net Cash used in Operating Activities	(218.75)
Net Cash used in Investing Activities	(21.91)
Net Cash from Financing Activities	241.50
Net Increase / (Decrease) in Cash & Cash Equivalents	0.84

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

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

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

***37. Brand recognition is important to the success of our business, and our inability to build and maintain our brand names will harm our business, financial condition and results of operation.***

Brand recognition is important to the success of our business. Establishing and maintaining our brand name in the industry or for people relying on services is critical to the success of the customer acquisition process of our business. Although, we expect to allocate significant amount of resources, financial and otherwise, on establishing and maintaining our brands, no assurance can be given that our brand names will be effective in attracting and growing user and client base for our businesses or that such efforts will be cost-effective, which may negatively affect our business, financial condition and results of operations.

***38. Significant disruptions in our information technology systems or breaches of data security could adversely affect our business and reputation.***

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect customer machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e. by someone who has access to data of our Company or external wherein unconnected cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time. In the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are potentially vulnerable to data security breaches, whether by our employees, or our service providers or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients' investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an adverse effect on our business and reputation.

***39. The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our business work. In the event there are delays in our current or future service, we will not be able to get extensions from our customers. Further, in some contracts, in case of delay due to deficiency in services by us, clients may have the right to complete the work at our risk and cost by engaging a third party. In the event we fail to perform under the terms of a particular contract, that could adversely affect our financial conditions and business operations. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

***40. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.***

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, there could be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct.



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

Our Promoters’ average cost of acquisition of Equity Shares in our Company is lower than the Issue Price as decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title “*Capital Structure*” beginning on page 51 of this Prospectus.

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

Our Company has entered into various transactions with our Promoters. While we believe that all such transactions are conducted on arm’s length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “*Related Party Transactions*” beginning on page 125 of the Prospectus.

**43. Underutilization of capacity of our facility may adversely affect our business, results of operations and financial conditions.**

We cannot assure that we shall be able to utilize our facility to their full capacity or up to an optimum capacity, and non-utilization of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition. Even use of the proposed production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, supply / demand, manpower, etc.

**44. Our top 5 and top 10 customers contribute major portion of our revenues for the period November 18, 2021. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top five and top ten customers contribute to a substantial portion of our revenues for the year ended November 18, 2021. Any decline in our quality standards, growing competition and any change in the demand for our service by these customers may adversely affect our ability to retain them. We believe we have maintained good and long-term relationships with our customers. However, there can be no assurance that we will continue to have such long-term relationship with them, also any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability.

Due to COVID-19 pandemic, there may have been a temporary reduction in demand for our services and there may have been an overall slowdown in the industry. Further, such pandemic situations may also arise in the future and that could materially and adversely affect our business, financial condition and results of operations. Our growth has required and will continue to require increased investments in management personnel and systems, financial systems and controls, and office facilities. However, we cannot assure you that such investments will yield desired results and we may incur costs that we may not be able to recover. We may also be unable to hire additional qualified personnel to support the offering of a wider range of services. If we fail to manage our growth, we may experience operating inefficiencies, dissatisfaction among our client base, and lost revenue opportunities, which may adversely affect our business, results of operations and financial condition. The contribution of our top 5 and top 10 customers to our total revenue are as follows:

Particulars	Customers
Top 5 (%)	99.99%
Top 10 (%)	100.00%

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

Upon completion of the Issue, our Promoters and Promoter Group will own 71.70 % of the Post-Issue Equity Share capital of the Company. As a result, the Promoters and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders’ approval, including the election of directors and approval of significant corporate transactions. The Promoters and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoters’ shareholding, please refer chapter titled “*Capital Structure*” beginning on Page No. 51 of this Prospectus.

***46. We are dependent on a number of Key Managerial Personnel and our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts, expertise and abilities of our Key Managerial Personnel, senior management, and our operational personnel who possess significant experience in the industry in which we operate. We believe that the inputs and experience of our KMP and senior management, in particular, and other key personnel are valuable for the development of our business, operations and the strategic directions taken by our Company. We cannot assure you that these individuals or any other member of our senior management team will not leave us or join a competitor or that we will be able to retain such personnel or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. Moreover, we may be required to substantially increase the number of our qualified personnel in connection with any future growth plans, and we may face difficulty in doing so due to the intense competition in the technology industry for such personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past in order to remain competitive in retaining.

Further, the COVID -19 pandemic has dynamically altered the approach on workplace hygiene and safety and continuity of operations while confirming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our senior management team contract COVID-19, it may potentially affect our operations. Further, in the event any of our employees' contract COVID-19, we may be required to quarantine our employees and shut down a part of or the entire operating facility as necessary. Risks arising on account of COVID-19 can also threaten the safe operation of our facility, loss of life, injuries and impact the well-being of our employees.

***47. Our operating expenses include overheads that may remain fixed in the medium term. In case there is any decline in our operating performance, we may be unable to reduce such expenses.***

Our operating expenses include various fixed costs, which are as such, not dependent on sales revenue. Any shortfall in sales may cause significant variations in operating results in any particular quarter, as we would not be able to reduce our fixed operating expenses in the short term. The effect of any decline in sales may thereby be magnified because a portion of our earnings are committed to paying these fixed costs. Accordingly, we believe that period-to-period comparisons of our results may not necessarily give a correct presentation of the performance and should not be relied upon as indications of future performance.

***48. Delays or defaults in payments from our clients could result into a constraint on our cash flows. The efficiency and growth of our business depends on timely payments received from our clients.***

In the event, our client's default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

***49. The shortage or non-availability of power facilities may adversely affect our business processes and have an adverse impact on our results of operations and financial condition.***

Our business processes require substantial amount of power facilities. We do not have arrangements for alternative / independent sources of power supply as of now. We are mainly dependent on local electricity service provider for meeting our electricity requirements, there may be factors beyond our control affecting the supply of power. Any power failure may lead to increased costs, thereby affecting the profitability.

***50. Our insurance coverage may not adequately protect us against losses, and successful claims against us that exceed our insurance coverage could harm our results of operations and diminish our financial position.***

We maintain insurance coverage of the type and in the amounts that we believe are commensurate with our operations. Our insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage. In addition, there are various types of risks and losses for which we do not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to us on acceptable terms. A successful assertion of one or more large claims against us that exceeds our available insurance coverage or results in changes in our insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect our business, future financial performance and results of operations.

***51. There are no alternate arrangements for meeting our requirements for the Objects of the Issue. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled “*Objects of the Issue*” on page 60 of this Prospectus.

***52. Guarantees from Promoters & Director as well as others have been taken in relation to the debt facilities provided to us.***

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee / s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee / s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “*Statement of Financial Indebtedness*” beginning on page 160 of this Prospectus.

***53. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

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. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. 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, see “*Dividend Policy*” on page 160 of this Prospectus.

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

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

***55. 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 favorable 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.

**56. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, and formulation of a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.**

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that are not waived by our lenders or are not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. Though these covenants are restrictive to some extent to the Company however it ensures financial discipline, which would help the Company in the long run to improve its financial performance.

For further information, see the chapter titled “*Statement of Financial Indebtedness*” on page 160 of this Prospectus.

**57. Some of the KMPs is associated with our company for less than one year.**

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter “*Our Management*” beginning on page 102 of this Prospectus.

**58. There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.**

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

**59. Excessive reliance on our information technology systems and their failure could harm our relationship with customers, expose us to lawsuits or administrative sanctions or otherwise adversely affect our provision of service to customers and our internal operation.**

As part of our business strategy, we use high quality of information technology system to deliver our services in the best possible way. We have an exemplary track record for completion of the projects within the stipulated time period but there may be the system interruptions, errors, or downtime which could result from a variety of causes including changes in technology, technology failure, changes in system, and power failure etc. these may affect our business adversely.

**60. The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of Our Company.**

Since, the Issue size is less than ₹10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised from this Issue, is hence, at the discretion of the management and the Board of Directors of Our Company and Our Company’s management will have flexibility in applying the proceeds of the Issue and will not be subject to monitoring by any independent agency. The fund requirement and deployment mentioned in the Objects of the Issue is based on internal management estimates and have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials. However, our Audit Committee will monitor the utilization of the proceeds of this Issue and prepare the statement for utilization of the proceeds of this Issue. Also, in accordance with Section 27 of the Companies Act, 2013, a company shall not vary the objects of the Issue without the Company being authorized to do so by our shareholders by way of special resolution and other compliances as applicable in this regard. Our Promoters and controlling shareholders shall provide exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

**61. Negative publicity could adversely affect our revenue model and profitability.**

We work in the market where trust of the customers on us and upon the services provided by us matters a lot. Any negative publicity regarding our company or the services rendered by the company due to any other unforeseen events may affect our reputation and image which leads to the adverse effect on our business and goodwill as well.

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

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

***63. The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchanges which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources band management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and / or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**Issue Specific Risks:**

***64. There are restrictions on daily / weekly / monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the agriculture Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

***66. You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

***67. The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our equity Shares has been determined by fixed price method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation 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. For further details you may refer chapter titled "***Basis for Issue Price***" beginning on the page 66 of this Prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue.
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.

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

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

## **EXTERNAL RISKS**

### **Industry Related Risks:**

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

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

***70. Malpractices by some players in the industry affect overall performance of emerging Companies***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for

regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

#### **Other Risks:**

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

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

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

As per Finance Bill 2018, exemption under section 10(38) for income arising from long term gains on transfer of equity share shall not be available on or after 1st day of April 2018 if the long-term capital gains exceed ₹ 1,00,000/- p.a. Such income arising from long term gains on transfer of equity share on or after 1st day of April 2018 in excess of ₹ 1,00,000/- pa. shall be chargeable at the rate of 10%. Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief available under the applicable tax treaty or under the laws of their own jurisdiction.

##### ***72. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter "**Financial Statements as Restated**" beginning on page 127 the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBIICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***74. Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

***75. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in the Prospectus.***

While facts and other statistics in this Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "***Our Industry***" beginning on page 71 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

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

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

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

***78. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

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



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

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

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

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

## SECTION IV: INTRODUCTION

### THE ISSUE

The following is the summary of the Issue:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Fresh Issue of 7,02,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating upto ₹ 301.86 Lakh.
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	36,000 Equity Shares of ₹10.00 each fully paid-up of our Company for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 15.48 Lakh.
<b>Net Issue to the Public</b>	6,66,000 Equity Shares of ₹10.00 each for cash at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 286.38 Lakh.
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	3,33,000 Equity Shares of ₹10.00 each at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 143.19 Lakh.
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	3,33,000 Equity Shares of ₹10.00 each at a price of ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per Equity Share) aggregating to ₹ 143.19 Lakh.
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	17,78,980 Equity Shares of ₹10.00 each
<b>Equity Shares outstanding after the Issue*</b>	24,80,980 Equity Shares of ₹10.00 each
<b>Objects of the Issue</b>	Please refer to the chapter titled <b>“Objects of the Issue”</b> beginning on page 60 of this Prospectus.

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please see the section titled **“Issue Related Information”** beginning on page no. 182 of this Prospectus.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated October 18, 2021 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on October 25, 2021.

As per Regulation 253(2) of the SEBI (ICDR) Regulations, 2018, as amended from time to time, the allocation in the net issue to the public category shall be made as follows:

- Minimum 50% (fifty percent) to Retail Individual Investors; and
- Remaining to:
  - a) Individual applicants other than retail individual investors; and
  - b) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

**Explanation to Regulations 253 of ICDR Regulations, 2018:** If the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

**SUMMARY OF FINANCIAL INFORMATION**

**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(Rs. in Lakhs)

Particulars	As at November 18, 2021
<b>I. EQUITY AND LIABILITIES</b>	
<b>Shareholders' Funds</b>	
Share Capital	25.41
Reserve And Surplus (excluding Revaluation Reserves, if any)	163.17
<b>Non-Current Liabilities</b>	
Long-term Borrowings	18.60
<b>Current Liabilities</b>	
Short-term Borrowings	66.41
Trade Payables	73.59
Other Current Liabilities	109.59
Short-term Provisions	10.55
<b>Total</b>	<b>467.32</b>
<b>II. ASSET</b>	
<b>Non-Current Asset</b>	
Property, Plant and Equipment	
(i) Tangible Asset	21.71
(ii) Capital Work-In-Progress	-
Deferred tax Asset (Net)	0.36
<b>Current Asset</b>	
Inventories	265.37
Trade Receivables	101.98
Cash and Cash Equivalents	0.84
Short-term Loan and Advances	34.50
Other Current Asset	42.56
<b>Total</b>	<b>467.32</b>

**STATEMENT OF PROFIT AND LOSS, AS RESTATED**

(Rs. in Lakhs)

Particulars	For the period from 02.09.2021 to 18.11.2021
Revenue from Operations	62.74
Other Income	-
<b>Total Revenue</b>	<b>62.74</b>
<b>Expenses:</b>	
Cost of Operation	59.42
Changes in inventories of finished goods	(42.58)
Employee Benefits Expenses	0.15
Finance Costs	1.61
Depreciation and Amortization Expense	0.21
Other Expenses	3.27
<b>Total Expenses</b>	<b>22.07</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>40.67</b>
Exceptional/Prior Period items	-
<b>Profit before extraordinary items and tax</b>	40.67
Extraordinary items	-
<b>Profit Before Tax</b>	<b>40.67</b>
Provision for Tax	
- Current Tax	10.55
- Deferred Tax Liability / (Asset)	(0.36)
<b>Restated profit after tax for the period from continuing operations</b>	<b>30.48</b>
Profit/(Loss) from Discontinuing operations	-
Tax expenses of discontinuing operations	-
<b>Restated profit for the period</b>	<b>30.48</b>

**STATEMENT OF CASH FLOW, AS RESTATED**

(Rs. in Lakhs)

Particulars	For the period from 02.09.2021 to 18.11.2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax	40.67
<b>Adjustment for:</b>	
Add Depreciation	0.21
Add Interest Expenses	1.61
<b>Operating profit before working capital changes</b>	<b>42.48</b>
<b>Adjustment for:</b>	
(Increase)/Decrease in Trade Receivable	(101.98)
(Increase)/Decrease in Inventories	(265.37)
(Increase)/Decrease in Short-term Loan and Advances	(34.50)
(Increase)/Decrease in Other Current Asset	(42.56)
Increase/(Decrease) in Trade Payables	73.59
Increase/(Decrease) in Provisions	-
Increase/(Decrease) in Other Current Liabilities	109.59
<b>Net Adjustments</b>	<b>(261.23)</b>
Cash generated from / (used in) operations	(218.75)
Income Tax Paid (Net)	-
<b>Net cash generated from/ (used in) Operating Activities - (A)</b>	<b>(218.75)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of tangible fixed assets	(21.91)
Purchase of Capital WIP	-
<b>Net cash generated from/ (used in) Investing Activities - (B)</b>	<b>(21.91)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Share Capital	158.11
Long term Borrowings	18.60
Increase/(Decrease) in Short-term Borrowings	66.41
Finance cost	(1.61)
<b>Net cash generated from/ (used in) Financing Activities - (C)</b>	<b>241.50</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<b>0.84</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>0.84</b>
<i>Note:-</i>	
<b>1. Components of cash and cash equivalents:</b>	
<b>Particulars</b>	<b>As on 18.11.2021</b>
Cash on hands	0.72
Balances with Banks	
-In current accounts	0.12
<b>Total Cash and Cash Equivalents</b>	<b>0.84</b>

1. The Cash Flow Statements has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules,2014).

2. Figures in Brackets represents outflow.

3. The above statement should be read with significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing I, II and III.

## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated as a public limited company on September 02, 2021 as “Clara Industries Limited” vide Registration No. 151537 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company acquired the entire running business on a going concern basis with the assets and liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our promoter Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021. The Corporate Identification Number of our company is U25209UP2021PLC151537.

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 99 of this Prospectus.

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	151537
<b>Corporate Identification Number</b>	U25209UP2021PLC151537
<b>Address of Registered Office &amp; Manufacturing Unit</b>	127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India. <b>Tel:</b> +91- 81718 84399 <b>Email:</b> info@clara.co.in <b>Website:</b> <a href="http://www.clara.co.in">www.clara.co.in</a>
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Kanpur</b> 37/17, Westcott Building, The Mall, Kanpur-208001, Uttar Pradesh, India. <b>Tel:</b> 0512-2310443 <b>Email Id:</b> <a href="mailto:roc.kanpur@mca.gov.in">roc.kanpur@mca.gov.in</a> <b>Website:</b> <a href="http://www.mca.gov.in">www.mca.gov.in</a>
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai– 400001, Maharashtra, India.
<b>Issue Programme</b>	Issue Opens on: December 16, 2021 Issue Closes on: December 21, 2021
<b>Chief Financial Officer</b>	<b>Mr. Nikhil Kukreja</b> 127/1 Simbhalka Junardar, Janta Rd, Saharanpur- 247001, Uttar Pradesh, India. <b>Tel:</b> +91- 81718 84399 <b>Email:</b> <a href="mailto:cfo@clara.co.in">cfo@clara.co.in</a> <b>Website:</b> <a href="http://www.clara.co.in">www.clara.co.in</a>
<b>Company Secretary and Compliance Officer</b>	<b>Mr. Anurag Saharawat</b> 127/1 Simbhalka Junardar, Janta Rd, Saharanpur- 247001, Uttar Pradesh, India. <b>Tel:</b> +91- 81718 84399 <b>Email:</b> <a href="mailto:cs@clara.co.in">cs@clara.co.in</a> <b>Website:</b> <a href="http://www.clara.co.in">www.clara.co.in</a>

## **OUR BOARD OF DIRECTORS**

Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Ms. Parry Kukreja	Managing Director	4/911, Jaffar Nawaz, Chand Plastic Corporation Near Subzi Mandi Pul Saharanpur- 247001, Uttar Pradesh, India.	06649401
Mr. Nikhil Kukreja	Executive Director	4/911, Jaffar Nawaz, Chand Plastic Corporation Near Subzi Mandi Pul Saharanpur- 247001, Uttar Pradesh, India.	06649387
Ms. Priyanka Mediratta	Non-Executive Director	9, Alkapuri Dayal Bagh Agra Uttar Pradesh- 282005, India.	09303974
Mr. Ajay Kumar Jain	Independent Director	Nakur, Saharanpur- 247001, Uttar Pradesh, India.	01408067
Mr. Manmohan Singh	Independent Director	16 Bharat Vatika, Opp. Transport Nagar, Dehradun Road Saharanpur- 247001, Uttar Pradesh, India.	07790507

For detailed profile of our Directors, refer “*Our Management*” on page 102 respectively of this Prospectus.

## INVESTOR GRIEVANCES:

Investors may contact the Company Secretary and Compliance Officer and / or the Registrar to the Issue and / or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of Letter of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form Number, Applicant's DP ID, Client ID, PAN, Address of Applicant, Number of Equity Shares applied for, ASBA Account Number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), Date of Application Form and the Name and Address of the Relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the Application Number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹ 100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted / partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹ 100 or 15% per annum of the application amount.

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

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<p><b>GRETEX CORPORATE SERVICES LIMITED</b> Office No. 13, 1<sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai-400001, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 4002 5273 / 98368 22199 <b>Fax No.:</b> NA <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> / <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128</p>	<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai – 400059, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Swapnil Kate <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534</p>
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<p><b>ADV SHAIILESH L DALVI</b> A-2/6 Satya Darshan CHS, Malpa Dongri No. 3 Andheri East, Mumbai-400093 <b>Tel.no:</b> 9819501831 <b>Email id:</b> <a href="mailto:shaiileshdalvi@gmail.com">shaiileshdalvi@gmail.com</a> <b>Contact Person:</b> Shaiilesh L Dalvi <b>Bar council number:</b> MAH/3182/2001</p>	<p><b>GUPTA AGARWAL &amp; ASSOCIATES,</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3<sup>rd</sup> Floor, Room No. 3A, Kolkata – 700 012 <b>Tel No.:</b> +91-33-4604 1743 <b>E-mail:</b> <a href="mailto:guptaagarwal.associate@gmail.com">guptaagarwal.associate@gmail.com</a> <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306</p>

BANKER TO THE COMPANY	BANKERS TO THE ISSUE / SPONSOR BANK
<b>PUNJAB NATIONAL BANK</b> New Avas Vikas Saharanpur, Uttar Pradesh- 247001 <b>Tel:</b> 9368162337 <b>Email Id:</b> <a href="mailto:bo1709@pnb.co.in">bo1709@pnb.co.in</a> <b>Website:</b> <a href="http://www.pnb.co.in">www.pnb.co.in</a> <b>Contact person:</b> Bank Manager	<b>ICICI BANK LIMITED</b> Capital Market Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vaccha Road, Backbay Reclamation, Churchgate, Mumbai – 400020. <b>Tel:</b> 022-66818911 / 23 / 24 <b>Fax No.:</b> 022-22611138 <b>Email:</b> <a href="mailto:sagar.welekar@icicibank.com">sagar.welekar@icicibank.com</a> <b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a> <b>Contact Person:</b> Mr. Sagar Welekar <b>SEBI Registration No.</b> INBI00000004

#### CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS

Our company has been incorporated in the year 2021 and hence, there has been no change in the auditors of our Company. M/s Gupta Agarwal & Associates has been appointed as first auditor of the company.

#### SELF-CERTIFIED SYNDICATE BANKS

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the above-mentioned link, and at such other websites as may be prescribed by SEBI from time to time.

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

#### INVESTORS BANKS OR ISSUER BANKS FOR UPI

In accordance with UPI Circulars, RIIs Applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

#### REGISTERED BROKERS

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

#### REGISTRAR AND SHARE TRANSFER AGENTS

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

#### COLLECTING DEPOSITORY PARTICIPANTS

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

#### STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER / STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Gretex Corporate Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.



## **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

## **IPO GRADING**

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

## **EXPERT OPINION**

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

Our Company has received written consent from the Statutory Auditor namely M/s. Gupta Agarwal & Associates, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated November 24, 2021, and the Statement of Tax Benefits dated November 24, 2021, issued by them and included in this Prospectus, as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “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 Prospectus.

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

## **TRUSTEES**

This is an issue of equity shares hence appointment of trustees is not required.

## **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed 10,000 lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of 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.

## **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

## **FILING OF ISSUE DOCUMENT**

The Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 of SEBI (ICDR), 2018. However, pursuant to Sub-Regulation (5) of Regulation 246, the copy of Prospectus shall also be furnished to the board in a soft copy.

Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. A copy of the Prospectus along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Company, Kanpur.

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

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

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

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Prospectus with the Stock Exchange where the Equity Shares may be proposed to be listed.

#### UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated November 10, 2021. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel. No.:</b> +91 22 4002 5273 / 98368 22199 / 98368 21999 <b>Email:</b> <a href="mailto:info@gretexgroup.com">info@gretexgroup.com</a> / <a href="mailto:mbk@gretexgroup.com">mbk@gretexgroup.com</a> <b>Website:</b> <a href="http://www.gretexcorporate.com">www.gretexcorporate.com</a> <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> U74999MH2008PLC288128	6,66,000	286.38	94.87%
<b>Gretex Share Broking Private Limited</b> Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India <b>Tel. No.:</b> +91-22-40025273 <b>Email:</b> <a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a> <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMMM0617628062012	36,000	15.48	5.13%
<b>TOTAL</b>	<b>702,000</b>	<b>301.86</b>	<b>100.00</b>

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Lead Manager shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure / subscribe to Equity Shares to the extent of the defaulted amount. If the Underwriter(s) fails to fulfil its underwriting obligations as set out in the Underwriting Agreement, the Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

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

Our Company has entered into Market Making Agreement dated November 10, 2021 with the Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Gretex Share Broking Private Limited
<b>Address</b>	Office No.13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400023, Maharashtra, India.
<b>Tel No.</b>	+91-22 4002 5273
<b>Email</b>	<a href="mailto:sherwoodpvtltd@yahoo.co.in">sherwoodpvtltd@yahoo.co.in</a>
<b>Contact Person</b>	Mr. Alok Harlalka
<b>CIN</b>	U65900MH2010PTC289361
<b>SEBI Registration No.</b>	INZ000166934
<b>Market Maker Registration No. (SME Segment of BSE)</b>	SME MM0617628062012

Gretex Share Broking Private Limited, registered with SME Platform of BSE Limited will act as the Market Maker and has agreed to receive or deliver the specified securities in the Market Making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE Limited and SEBI regarding this matter from time to time.

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

- 1) The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
- 2) The minimum depth of the quote shall be ₹ 1.00 Lakh. However, the investors with holdings of value less than ₹ 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
- 3) After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to 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.
- 4) 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.
- 5) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
- 6) There would not be more than five Market Makers for a scrip at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker.
- 7) The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.
- 8) 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.
- 9) The Market Maker shall have the right to terminate said arrangement by giving a three month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.
- 10) In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in

replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(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. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

- 11) SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
- 12) SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
- 13) The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.
- 14) Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
  - a. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - b. 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 following spread will be applicable on the SME Platform of BSE Limited.

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

- 1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) 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 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

- 2) 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

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Issue is set forth below:

Sr. No.	Particulars	Amount (₹ in Lakh except share data)	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	25,00,000 Equity Shares of ₹ 10 each	250.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	17,78,980 Equity Shares of ₹ 10 each	177.90	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus <sup>(1)</sup></b>		
	Fresh Issue of 7,02,000 Equity Shares of ₹ 10/- each fully paid-up of our Company for cash at a price of ₹ 43.00/- per Equity Share (including premium of ₹ 33.00/- per Equity Share)	70.20	301.86
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	36,000 Equity Shares of ₹ 10.00/- each fully paid-up of our Company for cash at a price of ₹ 43.00/- per Equity Share (including premium of ₹ 33.00/- per Equity Share)	3.60	15.48
<b>E.</b>	<b>Net Issue to the Public</b>		
	6,66,000 Equity Shares of ₹ 10.00/- each fully paid-up of our Company for cash at a price of ₹ 43.00/- per Equity Share (including premium of ₹ 33.00/- per Equity Share)	66.60	286.38
	<i>Of which <sup>(2)</sup>:</i>		
	3,33,000 Equity Shares of ₹ 10.00/- each fully paid-up of our Company for cash at a price of ₹ 43.00/- per Equity Share (including premium of ₹ 33.00/- per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	33.30	143.19
	3,33,000 Equity Shares of ₹ 10.00/- each fully paid-up of our Company for cash at a price of ₹ 43.00/- per Equity Share (including premium of ₹ 33.00/- per Equity Share) will be available for allocation to Non-Institutional Investors including Qualified Institutional Buyers of above ₹ 2.00 Lakh	33.30	143.19
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	24,80,980 Equity Shares of ₹ 10 each	248.10	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue	NIL	
	After the Issue	231.66	

1. The present Issue of has been authorized pursuant to a resolution of our Board of Directors dated October 18, 2021 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 with a shorter notice on October 25, 2021.
2. Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

## CLASS OF SHARES

As on date of the Prospectus, our Company has only one class of shares i.e., Equity Shares of ₹ 10.00 each. All Equity Shares issued are fully paid up. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

## NOTES TO CAPITAL STRUCTURE

### 1. History of Issued and Paid-Up Share Capital of our Company

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation (02-09-2021) *	50,000	10	10	Cash	Subscriber to the MOA (I)	50,000	5,00,000	NIL
November 10, 2021#	87,140	10	75	Other than Cash	Allotment pursuant to the acquisition of M/s Clara Petrochemicals (II)	1,37,140	13,71,400	56,64,100
November 17, 2021	1,17,000	10	75	Cash	Preferential Issue (III)	2,54,140	25,41,400	1,32,69,100
November 23, 2021\$	15,24,840	10	-	Other than Cash	Bonus Issue (6:1) (IV)	17,78,980	1,77,89,800	0

\*Shares was subscribed to Initial Subscriber to Memorandum of Association on September 02, 2021.

#Issue of 87,140 Equity Shares has been issued in lieu of consideration of entire business acquisition of M/s Clara Petrochemicals proprietorship firm of our Promoter Ms. Parry Kukreja.

\$ Bonus issue of 15,24,840 equity shares in the ratio of 6:1 dated November 23, 2021 has been issued by Capitalization of Reserve & Surplus of the Company.

#### (i) Initial Subscribers to the Memorandum of Association of our Company:

Sr. No.	Name	No. of Equity Shares*
1	Ms. Shanta Rani	1
2	Ms. Isha Sachdeva	1
3	Ms. Priyanka Mediratta	2
4	Mr. Nikhil Kukreja	24,997
5	Ms. Parry Kukreja	24,997
6	Mr. Pankaj Pal	1
7	Mr. Rakesh Pal Kumar	1
<b>Total</b>		<b>50,000</b>

#### (ii) Allotment pursuant to Acquisition of Clara Petrochemicals on November 10, 2021:

Sr. No.	Name	No. of Equity Shares*
1	Ms. Parry Kukreja	87,140
<b>Total</b>		<b>87,140</b>

\*Pursuant to business transfer agreement dated October 29, 2021 for acquisition of the proprietary firm "CLARA PETROCHEMICALS" of Ms. Parry Kukreja. The total consideration of ₹ 65,35,544 has been settled by issuing of 87,140 equity shares of ₹10.00 each at an issue price of ₹ 75.00 each and ₹ 44.00 in Cash.

**(iii) Preferential Issue of 1,17,000 Equity Shares at a price of Rs. 75/- per share on November 17, 2021:**

Sr. No.	Name	No. of Equity Shares
1	Ms. Parry Kukreja	23,667
2	Mr. Nikhil Kukreja	93,333
<b>Total</b>		<b>1,17,000</b>

**(iv) Bonus allotment of 15,24,840 Equity Shares of Face Value of Rs. 10/- each fully paid in the ratio of 6:1 i.e., 6 Bonus Equity Shares for 1 equity share held on November 23, 2021:**

Sr. No.	Name	No. of Equity Shares*
1	Ms. Shanta Rani	6
2	Ms. Isha Sachdeva	6
3	Ms. Priyanka Mediratta	12
4	Mr. Nikhil Kukreja	7,09,980
5	Ms. Parry Kukreja	8,14,824
6	Mr. Pankaj Pal	6
7	Mr. Rakesh Pal Kumar	6
<b>Total</b>		<b>15,24,840</b>

*\*Bonus Issue dated November 23, 2021 have been made out of Capitalization of Securities Premium and Revenue Reserves (Profit and Loss Account).*

**2. Issue of Equity Shares for Consideration other than Cash.**

Except as disclosed in point 1 (ii) & (iv) above, we have not issued any Equity Shares for consideration other than cash.

3. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
4. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. **Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year**

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Prospectus.

**7. Our Shareholding Pattern**

- a) The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoters & Promoter Group	5	17,78,966	-	-	17,78,966	100.00%	17,78,966	-	17,78,966	100.00%	-	100.00%	-	-	-	-	17,78,966
B	Public	2	14	-	-	14	Negligible	14	-	14	Negligible	-	Negligible	-	-	-	-	14
C	Non - Promoter Non - Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>17,78,980</b>	<b>-</b>	<b>-</b>	<b>17,78,980</b>	<b>100.00%</b>	<b>17,78,980</b>	<b>-</b>	<b>17,78,980</b>	<b>100.00%</b>	<b>-</b>	<b>100.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,78,980</b>



**b) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Ms. Parry Kukreja	13,70,628	77.05
2.	Mr. Nikhil Kukreja	4,08,310	22.95
	<b>Total</b>	<b>17,78,938</b>	<b>100.00</b>

*\* 42 Equity Shares of the Company are held by Promoter Group and Public Shareholders which amounts to negligible holding percentage of the Company*

**c) List of shareholders holding 1% or more of the paid-up capital of our company as on date ten days prior to the date of this Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1	Ms. Parry Kukreja	13,70,628	77.05
2	Mr. Nikhil Kukreja	4,08,310	22.95
	<b>Total</b>	<b>17,78,938</b>	<b>100.00</b>

*\* 42 Equity Shares of the Company are held by Promoter Group and Public Shareholders which amounts to negligible holding percentage of the Company*

**d) List of shareholders holding 1% or more of the paid-up capital of our company as on date one year prior to the date of this Prospectus:**

Not Applicable as our company was incorporated on September 02, 2021.

**e) List of shareholders holding 1% or more of the paid-up capital of our company as on date two year prior to the date of this Prospectus:**

Not Applicable as our company was incorporated on September 02, 2021.

8. Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of this Prospectus.

9. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

10. We hereby confirm that there will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and right issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares offered have been listed or application moneys refunded on account of failure of Issue.

11. Our Company does not presently intend or propose to alter its capital structure for a period of six 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 or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise.

**12. Details of our Promoters Shareholding**

As on the date of this Prospectus, our Promoters hold 100 % of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

*a) Build-up of our Promoters shareholding in Our Company*

**(i) Ms. Parry Kukreja**

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
Upon Incorporation	24,997	10	10.00	Subscribers to Memorandum	Cash	1.41	1.01

(September 02, 2021)							
November 10, 2021	87,140	10	75.00	Allotment pursuant to the acquisition of Clara Petrochemicals	Consideration other than Cash	4.90	3.51
November 17, 2021	23,667	10	75.00	Preferential Issue	Cash	1.33	0.95
November 23, 2021	8,14,824	10	-	Bonus Issue	Consideration other than Cash	45.80	32.84
November 26, 2021	4,20,000	10	-	Transfer (Gift)	Consideration other than Cash	23.61	16.93
<b>Total</b>	<b>13,70,628</b>					<b>77.05</b>	<b>55.25</b>

**(ii) Mr. Nikhil Kukreja**

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
Upon Incorporation (September 02, 2021)	24,997	10	10.00	Subscribers to Memorandum	Cash	1.41	1.01
November 17, 2021	93,333	10	75.00	Preferential Issue	Cash	5.25	3.76
November 23, 2021	7,09,980	10	-	Bonus Issue	Consideration other than Cash	39.91	28.62
November 26, 2021	(4,20,000)	10	-	Transfer (Gift)	Consideration other than Cash	-23.61	-16.93
<b>Total</b>	<b>4,08,310</b>					<b>22.95</b>	<b>16.46</b>

**Notes:**

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters shares shall be subject to lock-in from the date of allotment of the equity shares issued through the Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.

b) *The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below:*

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	<b>Promoters</b>				
1.	Ms. Parry Kukreja	13,70,628	77.05	1,370,628	55.25
2.	Mr. Nikhil Kukreja	408,310	22.95	408,310	16.46
	<b>Total (A)</b>	<b>17,78,938</b>	<b>100.00</b>	<b>17,78,938</b>	<b>71.70</b>
B)	<b>Promoter Group</b>				
1.	Ms. Shanta Rani	7	0.00	7	0.00
2.	Ms. Isha Sachdeva	7	0.00	7	0.00

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
3.	Ms. Priyanka Mediratta	14	0.00	14	0.00
	<b>Total (B)</b>	<b>28</b>	<b>0.00</b>	<b>28</b>	<b>0.00</b>
	<b>Total (A+B)</b>	<b>17,78,966</b>	<b>100.00</b>	<b>17,78,966</b>	<b>71.70</b>

\* 14 Equity Shares of the Company are held by Public which amounts to negligible holding percentage of the Company

13. We have 7 (Seven) Shareholders as on the date of this Prospectus

14. We hereby confirm that

- There has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Prospectus.
- No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.

#### 15. Details of Promoters' Contribution and Lock-in for Three Years

Pursuant to the Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' contribution ("Promoters' Contribution") and locked-in for a period of three years from the date of Allotment.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in <sup>(1)</sup>	As a % of Post Issue Share Capital
Ms. Parry Kukreja	3,82,307	15.41
Mr. Nikhil Kukreja	1,13,889	4.59
<b>Total</b>	<b>4,96,196</b>	<b>20.00</b>

(1) For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 1 under "Notes to Capital Structure" under the chapter "Capital Structure" on page 51 of this Prospectus.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. 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:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
- No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form and

- The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

**We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.**

#### **16. Equity Shares locked-in for one year other than Minimum Promoters Contribution**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoter's 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.

#### **17. Inscription or Recording of non-transferability**

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

#### **18. Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, 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.

#### **19. Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

**20.** Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

**21.** As on date of this Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

**22.** As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company.

The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

23. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled "*Issue Procedure*" beginning on page 191 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
24. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
25. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
26. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
27. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
28. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
29. None of our Promoters and Promoter Group will participate in the Issue.
30. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of 7,02,000 Equity Shares of our Company at an Issue Price of ₹43.00 per Equity Share.

#### **FRESH ISSUE**

The details of the proceeds of the Fresh Issue are summarized below:

<b>Particulars</b>	<b>Amount</b>
Gross Proceeds from the Fresh Issue	301.86
Less: Issue related expenses	37.40
Net Proceeds of the Fresh Issue	264.46

(₹ in lakhs)

#### **REQUIREMENT OF FUNDS**

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects (“Objects of the Issue”):

- a) To Meet Working Capital Requirements
- b) General Corporate Purposes

In addition to the aforementioned objects, our Company intends to strengthen its capital base and expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand and our Company among our existing and potential customers.

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. We are engaged in business of providing flexible plastic packaging solutions to our clients, we serve varied sectors spanning FMCG, Consumer Product, Hardware Tools, Hospitality, Housekeeping, Pharmaceuticals, Clothing & Hosiery, Edible Oil, Salt and Sugar. Our Company is known in the industry for manufacturing and supplying of high-end multilayer Plastic bags and multilayer Plastic rolls in India. Our Promoters initially started operations way back in the year 2014 in the name of M/s Clara Petrochemicals, a sole proprietorship firm. In flexible packaging, we do manufacture printed films with surface printing as well as reverse printing, between 51 micron and above as mandate by government laws and also laminates in two-, three- and four-layer structure. We also manufacture standing pouches, side gazette pouches, Press & lock pouches and other pouches as per customer’s requirement. Our Company has installed various testing equipment by virtue of which it will develop new packaging solutions at cheaper cost without affecting quality of the products. We regularly conduct batch wise tests on all our products for examining their strength, quality aspects etc. Our machines are capable of manufacturing multiple products at one point of time. Our Business is not seasonal in nature but demand for some items such as Plastic bangles and peanuts packaging are seasonal. We manufacture plastic bangles which sells mostly during the festive time like Diwali and Karva Chauth whereas demand for peanuts tend to increase during the period September to January. Moreover, our promoters has been in the industry for more than decade, by using his experience our company do assemble plastic packaging machines for client. This is an additional business that the company runs. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through the Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

#### **UTILIZATION OF NET FRESH ISSUE PROCEEDS**

The Net Fresh Issue Proceeds are proposed to be used in the manner set out in the following table:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Total Estimated Expenditure</b>	<b>Amount proposed to be financed from Net Issue Proceeds</b>	<b>Amount proposed to be financed from Bank Loan / Financial Institutions</b>
1	Funding of Working Capital Requirements of our company	200.00	200.00	-

(₹ in lakhs)

2	General Corporate Purposes	64.46	64.46	-
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(1) The entire amount is proposed to be funded from the Net Proceeds to be utilized in the Financial Year 2021-22.

## MEANS OF FINANCE

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals. Set forth below are the means of finance for the above-mentioned fund requirement:

(₹ in Lakh)

Sr. No.	Particulars	Amount
1.	Net Issue Proceeds	264.46

The requirements of the objects detailed above are intended to be funded from the Proceeds of the Fresh Issue and Internal Accruals.

*Since the fund requirements set out for the aforesaid objects of the Issue are proposed to be met entirely from the Net Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI (ICDR) Regulations, 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.*

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

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Issue, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans.

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

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "**Risk Factors**" beginning on page 20 of this Prospectus.

## DETAILS OF THE USE OF THE PROCEEDS

### 1) Working Capital Requirement

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the incremental working capital needs of our company, as assessed based on the internal workings of our Company is ₹185.11 Lakh for the period ended November 18, 2021 and is expected to reach ₹414.78 Lakh in FY 2021-2022. We intend to meet our working capital requirements to the extent of ₹200.00 Lakh from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

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

The details of our Company's composition of working capital as at March 31, 2022 and November 18, 2021 based on the Restated Summary Statements. Further the source of funding of the same are as set out in the table below:

(₹ in lakhs)

Particulars	November 18, 2021 Restated	March 31, 2022 Estimated
<b>Current Assets</b>		
Inventories	265.37	331.71
Trade Receivable	101.98	137.67
Cash & Cash Equivalents	0.84	4.20
Short term Loans & Advances	34.50	85.00
Other Current Assets	42.56	53.20
<b>Total (I)</b>	<b>445.25</b>	<b>611.79</b>
<b>Current Liabilities</b>		
Short-Term Borrowings	66.41	65.00
Trade Payables	73.59	52.00
Other Current Liabilities	109.59	85.00
Short Term Provisions	10.55	12.13
<b>Total (II)</b>	<b>260.14</b>	<b>214.13</b>
<b>Net Working Capital (I) – (II)</b>	<b>185.11</b>	<b>397.65</b>
<b>Incremental Working Capital</b>		<b>212.54</b>
Funding Pattern:		
Internal Accruals		12.54
Part of the IPO Proceeds		200.00

#### ASSUMPTION FOR WORKING CAPITAL REQUIREMENT

Assumptions for holding level

Particulars	November 18, 2021 Restated	March 31, 2022 Estimated
<b>Current Assets</b>		
Inventories	348	90
Trade Receivables	127	61
<b>Current Liabilities</b>		
Trade Payable	97	45

Note: The holding level assumptions for the period ended November 18, 2021 has been taken into account considering the number of days of operation of the newly incorporated company.

#### JUSTIFICATION FOR HOLDING PERIOD LEVELS

Particulars	Details
Inventories: Finished Goods	We expect inventories holding days to be at 90 days in the financial year 2021-22 as there will be large purchases of raw-materials to enable expansion in the production.
Trade Receivables	We expect debtors holding days to be at 61 days in the financial year 2021-22 based on increased Revenue from Operation and better Credit Management policies ensuring timely recovery of dues.
Trade Payables	We expect creditors payment days to be 45 days due to reduction in credit period.

Pursuant to the certificate dated November 24, 2021, M/s Gupta Agarwal & Associates, Chartered Accountants, have verified the working capital requirements for the Period ended November 24, 2021 from the Restated Financial Information and working capital estimates for the financial year 2021 as approved by the Board pursuant to its resolution dated November 24, 2021.



## 2) General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance Net fresh Issue Proceeds of ₹64.46 Lakhs is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI (ICDR) Regulations, 2018. Our Company intends to deploy ₹64.46 Lakhs of the Net Proceeds for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

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

### PROPOSED YEAR WISE DEPLOYMENT OF FUNDS / SCHEDULE OF IMPLEMENTATION

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2021 – 22.

### PUBLIC ISSUE EXPENSE

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹37.40 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses	% of Total	% of Total
	(₹ In Lakh)	Issue Expenses	Issue size
Payment to the Lead Manager (including underwriting fees)	17.65	47.19%	5.85%
Market Making Fees	4.00	10.70%	1.33%
Fees Payable to Registrar	0.50	1.34%	0.17%
Fees to Legal Advisor	1.50	4.01%	0.50%
Advertisement Expenses	3.00	8.02%	0.99%
Fees Payable to Regulators including Stock Exchange	1.75	4.68%	0.58%
Printing & Distribution Expenses	2.00	5.35%	0.66%
Marketing & Selling Expenses	5.00	13.37%	1.66%
Payment to Sponsor Bank	1.00	2.67%	0.33%
Statutory & Other Reports	1.00	2.67%	0.33%
<b>Total</b>	<b>37.40</b>	<b>100.00%</b>	<b>12.39%</b>

\*\* SCSBs will be entitled to a processing fee of ₹ 1.00 per Application Form for processing of the Application Forms 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 Applicants and Non-Institutional Applicants, would be 0.001 % on the Allotment Amount# or ₹ 50.00 whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

#Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

## FUNDS DEPLOYED AND SOURCES OF FUNDS DEPLOYED

Our Statutory Auditor, M/s. Gupta Agarwal & Associates., Chartered Accountants, vide their certificate dated November 24, 2021 have also confirmed that the amount ₹2.00 Lakhs have been deployed so far towards the Object of the Issue and the same have been financed through internal sources.

Sr. No.	Particulars	Amount deployed (₹ in lakhs)
	<b>Issue Expenses</b>	
1.	Paid to Gretex Corporate Services Limited	2.00
	<b>Total</b>	<b>2.00</b>

## SOURCES OF FINANCING FOR THE FUNDS DEPLOYED

Our Statutory Auditor, M/s. Gupta Agarwal & Associates, Chartered Accountants, vide their certificate dated November 24, 2021 have also confirmed the amount deployed so far towards part of the Issue Expenses has been financed through internal sources.

Sr. No.	Particulars	Amount deployed (₹ in lakhs)
1.	Issue Expenses	2.00
	<b>Total</b>	<b>2.00</b>

## APPRAISAL BY APPRAISING FUND

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

## BRIDGE FINANCING FACILITIES

As on the date of this Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

## MONITORING UTILIZATION OF FUNDS

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Prospectus.

## INTERIM USE OF PROCEEDS

Pending utilization of the Issue proceeds of the Issue for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any 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 Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, 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. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters 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**

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or Key Managerial Personnel except in the normal course of business and in compliance with the applicable laws.

### **BASIS FOR ISSUE PRICE**

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 20, 82 and 127 respectively of this 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 has been determined by the Company in consultation with the Lead Manager on the basis of the key business strengths of our Company. The face value of the Equity Shares is ₹10.00 each and the Issue Price is ₹43.00 which is 4.3 times of the face value.

### **QUALITATIVE FACTORS**

- Integrated in-house execution capabilities
- Leveraging our Market skills and Relationships
- Quality Service
- Enhance customer base by entering new geographies to establish long-term relationships
- Efficient Business Model and Low Labour Costs
- Needs of customers

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled “*Our Business*” beginning on page 82 of this Prospectus.

### **QUANTITATIVE FACTORS**

Information presented in this section is derived from our Company’s restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### **BASIC EARNINGS AND DILUTED EARNINGS PER EQUITY SHARE (EPS) AS PER ACCOUNTING STANDARD 20 (PRE-BONUS)**

Period	Basic and Diluted EPS (Pre-Bonus) (in ₹)	Weight
November 18, 2021 (Pre-Bonus)	238.54	1

#### **BASIC EARNINGS AND DILUTED EARNINGS PER EQUITY SHARE (EPS) AS PER ACCOUNTING STANDARD 20 (POST BONUS)**

Period	Basic and Diluted EPS (Post Bonus) (in ₹)	Weight
November 18, 2021 (Post Bonus)	9.11	1

Notes:

- i. *The figures disclosed above are based on the restated financial statements of the Company.*
- ii. *The face value of each Equity Share is ₹ 10.00.*
- iii. *Earnings per Share has been calculated in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
- iv. *The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure IV.*

**PRICE / EARNINGS RATIO (P/E) IN RELATION TO THE ISSUE PRICE OF ₹43.00**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for the period ended November 18, 2021	4.72

**RETURN ON NET WORTH**

As per Restated Financial Statements:

Period	RONW (%)	Weight
November 18, 2021	16.16	1

*Note: The RONW has been computed by dividing net profit after tax (as restated), by Net worth (as restated) as at the end of the year.*

**AS PER RESTATED FINANCIAL STATEMENTS:**

Minimum return on Post Issue Net Worth to maintain the Pre-Issue EPS (Post Bonus) for the period ended November 18, 2021 – 46.08%.

**NET ASSET VALUE (NAV) PER EQUITY SHARE**

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on November 18, 2021 (Post Bonus)	74.21
b)	After Issue	19.77
c)	Issue Price	43.00

*Note: NAV has been calculated as net worth divided by number of Equity Shares at the end of the year.*

**PEER GROUP COMPARISON OF ACCOUNTING RATIOS:**

Particulars	CMP	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakh)
Clara Industries Limited	43.00	9.11	4.72	16.16	74.21	10.00	62.74
<b>Peer Group **</b>							
Uflex Limited	498.85*	31.91	11.85	9.30	94.21	10.00	4,635.07

\* CMP for our Company is considered as Issue Price

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

Notes:

- (i) The figures of Clara Industries Limited are based on restated financial statements as on November 18, 2021.
- (ii) Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
- (iii) Current Market Price (CMP) is the closing price of peer group scripts as on November 26, 2021.
- (iv) The figures for the peer group are based on the audited financials for the year ended March 31, 2021.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹43.00 per share are 4.3 times of the face value.

The Company in consultation with the Lead Manager believes that the Issue Price of ₹43.00 per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 20 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 127 of this Prospectus.

**STATEMENT OF POSSIBLE TAX BENEFITS**

**To**  
**The Board of Directors**  
**CLARA INDUSTRIES LIMITED**  
127/1 Gram Simbhalka Junardar  
Paragna, Tehsil and District  
Saharanpur Uttar Pradesh-247001  
India.

Dear Sirs,

**Sub: Statement of possible special tax benefits (“the Statement”) available CLARA INDUSTRIES LIMITED (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2020 (i.e. applicable to F.Y. 2020-21 relevant to A.Y. 2021-22) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

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

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

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

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

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.

No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

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

We shall not be liable to 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. We are not liable to any other person in respect of this statement.

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

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Sd/-  
Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 21059535AAAAJP8450**

**Date: November 24, 2021  
Place: Kolkata**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO CLARA INDUSTRIES LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2020-21. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**1. Special Tax Benefits to the Company**

There are no Special tax benefits available to the Company.

**2. Special Tax Benefits available to the shareholders of the Company**

There are no Special tax benefits available to the shareholders of the Company.

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2021-22 relevant to A.Y. 2022-23.
4. No assurance is given that the revenue authorities / courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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

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

**For Gupta Agarwal & Associates,  
Chartered Accountants,  
Firm Registration No.: 329001E**

**Sd/-  
Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 21059535AAAAJP8450**

**Date: November 24, 2021  
Place: Kolkata**



## SECTION VIII: ABOUT THE ISSUER COMPANY

### OUR INDUSTRY

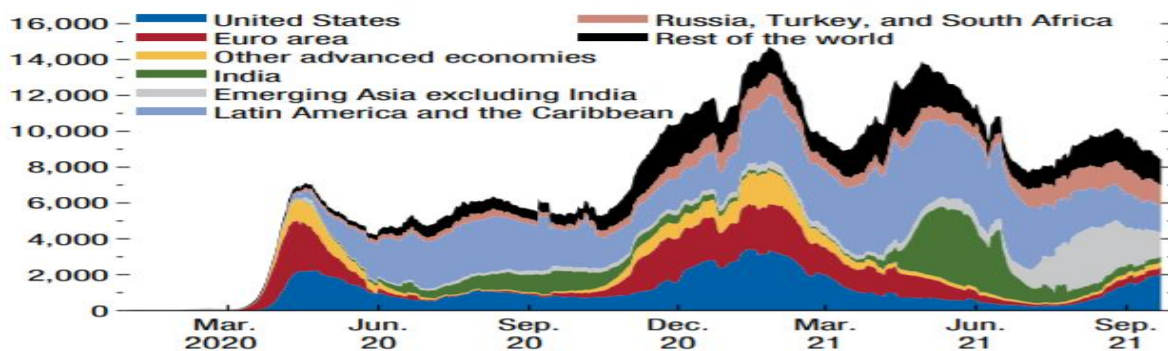
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the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

#### **GOLBAL ECONOMY AT LARGE**

The global economic recovery continues amid a resurging pandemic that poses unique policy challenges (Figure 1.1).

**Figure 1.1. New Confirmed COVID-19 Deaths**  
(Persons, seven-day moving average)

The pandemic began resurging over the summer.



Sources: Our World in Data; and IMF staff calculations.

Note: Data as of September 22, 2021. Economy group and regional classifications are those in the *World Economic Outlook*. Other advanced economies in terms of International Organization for Standardization (ISO) country codes are AUS, CAN, CHE, CZE, DNK, GBR, HKG, ISL, ISR, JPN, KOR, MAC, NOR, NZL, SGP, SMR, SWE,

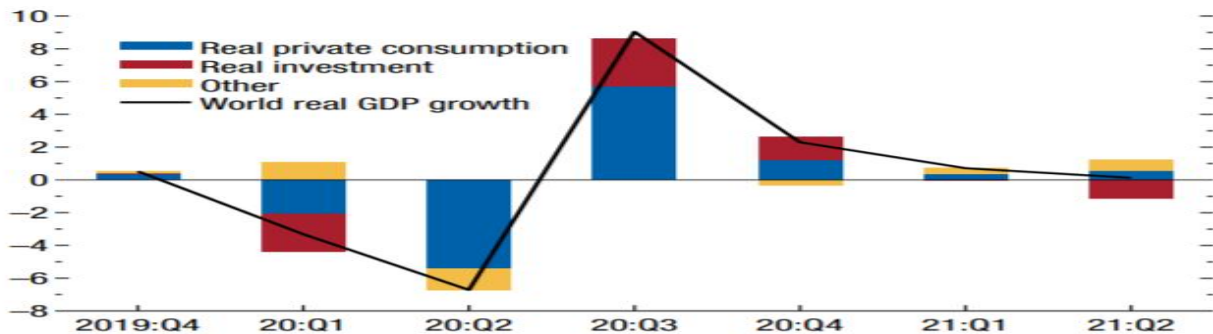
Vaccinations have proven effective at mitigating the adverse health impacts of COVID-19. However, unequal access to vaccines, vaccine hesitancy, and higher infectiousness have left many people still susceptible, providing fuel to the pandemic. The marked spread of the Delta variant and the threat of new variants that could undermine vaccine effectiveness make the future path of the pandemic highly uncertain. This has implications for the resilience of a recovery already in uncharted territory—characterized by pandemic-induced supply-demand mismatches that could worsen with a more protracted health crisis. Gaps in expected recoveries across economy groups have widened since the July forecast, for instance between advanced economies and low-income developing countries. As recoveries proceed, the risks of derailments and persistent scarring in heavily impacted economies remain so long as the pandemic continues. Meanwhile, inflation has increased markedly in the United States and some emerging market economies. As restrictions are relaxed, demand has accelerated, but supply has been slower to respond. Commodity prices have also risen significantly from their low levels of last year. Although price pressures are expected to subside in most countries in 2022, inflation prospects are highly uncertain. These increases in inflation are occurring even as employment is below pre-pandemic levels in many economies, forcing difficult choices on policymakers—particularly in some emerging market and developing economies. The chapter first discusses the global outlook and risks, before turning to policies needed to address these challenges.

#### Near-Term Recovery Continues while the Pandemic Resurges

GDP growth in the first half of 2021 was broadly in line with expectations. Outturns for first quarter global GDP were stronger than anticipated, reflecting continued adaptation of economic activity to the pandemic, and associated restrictions as well as ongoing policy support in many countries. Momentum, however, weakened in the second quarter, weighed down by increasing infections in many emerging market and developing economies and by supply disruptions. Expenditure decompositions are consistent with input shortages contributing to weak investment in the second quarter (Figure 1.2).

**Figure 1.2. Drivers of Global Growth**  
(Quarter-over-quarter growth contributions, percentage points)

Supply disruptions are weighing on private investment.

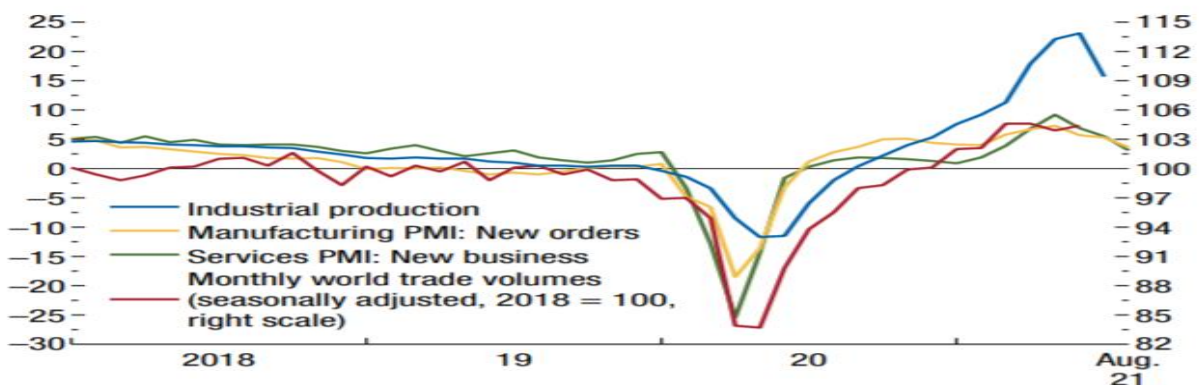


Sources: Haver Analytics; and IMF staff calculations.  
Note: The estimate of world real GDP at the quarterly frequency is based on a sample of economies covering 79.4 percent of global economic activity in 2020. "Other" includes the sum of contributions from public consumption and a residual component, which mixes contributions from the sample's net exports to economies not covered and a statistical discrepancy.

Recent high-frequency data are mixed. They suggest that the recovery continues, but with some softening in the third quarter, even while broadening across sectors. Services production is expanding, albeit prone to setbacks (Figure 1.3).

**Figure 1.3. Global Activity Indicators**  
(Three-month moving average, annualized percent change for industrial production; deviations from 50 for PMIs)

Higher-frequency indicators point to softening momentum.

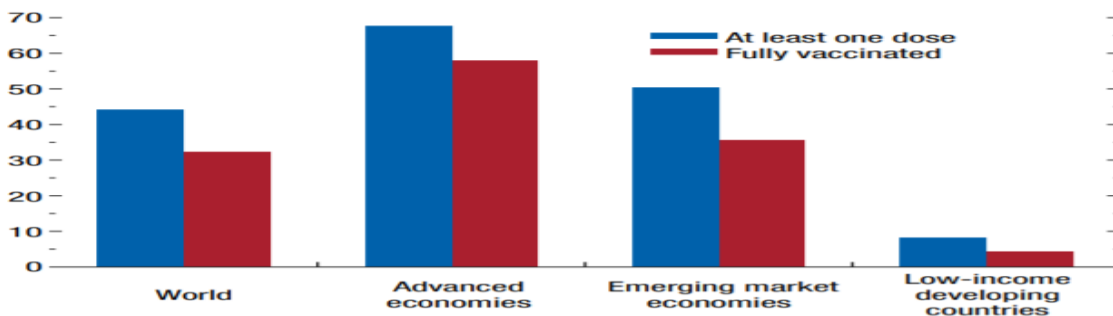


Sources: CPB Netherlands Bureau for Economic Policy Analysis; Haver Analytics; Markit Economics; and IMF staff calculations.  
Note: PMI above 50 indicates expansion while below 50 indicates contraction. PMIs = purchasing managers' indexes.

Vaccine access remains the principal driver of fault lines in the global recovery, reinforced by the resurgence of the pandemic. Many advanced economies have seen remarkable progress in vaccinations since the April 2021 WEO. By contrast, most emerging market and developing economies have had a much slower rollout, hampered by lack of supply and export restrictions. • Advanced economies have achieved broad availability of vaccines, with hesitancy (rather than inadequate supply) being the main constraint on further gains. About 58 percent of the population in advanced economies has been fully vaccinated (Figure 1.4).

**Figure 1.4. The Great Vaccination Divide**  
(Percent of population)

Progress in vaccinations against COVID-19 remains highly unequal across the world.



Sources: Our World in Data; and IMF staff calculations.  
Note: Data as of September 22, 2021. "Fully vaccinated" are people who received all the doses prescribed for a full vaccination cycle (typically two, but one for Johnson&Johnson and CanSino). In a few cases, the recorded one-dose numbers are smaller than "fully vaccinated" numbers because of reporting lags. For these cases, we make a minimal consistency adjustment, setting one-dose numbers equal to "fully vaccinated" numbers.

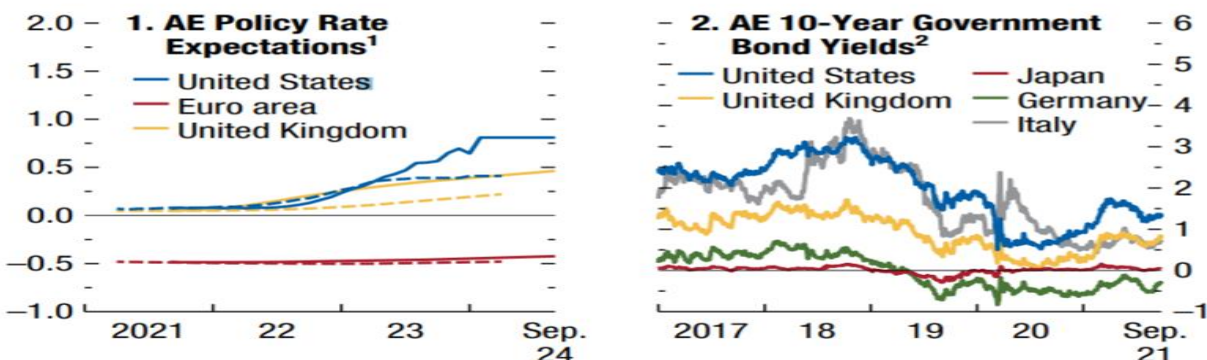
By contrast, the rest of the world has starkly lower shares of population that are fully vaccinated against COVID-19, at about 36 percent in emerging market economies and less than 5 percent in low-income developing countries. In these economies, vaccine supply and distribution remain the primary constraints. The forecast assumes that some emerging market economies will join advanced economies in gaining broad vaccine access in 2021. Most countries are assumed to acquire broad access by the end of 2022 and some only in 2023. However, it seems likely that vaccinations alone will not be able to completely stamp out SARS-CoV-2 transmission, even though they remain effective against the most adverse health effects of the pandemic (severe illness and death). As a result, hospitalizations and deaths are expected to be brought to low levels everywhere by the end of 2022 through a combination of improved access to vaccines and therapies, combined with more highly targeted and effective precautions. Some countries may be able to reduce adverse public health outcomes sooner than others, depending on country-specific circumstances. The projections are tempered by the possibility of renewed outbreaks, particularly before vaccines become widely available. So long as the enormous differences in vaccine access persist, the inequalities in health and economic outcomes will increase, driving further divergences across two blocs of countries: those that can look forward to further normalization later this year (almost all advanced economies); and those that will struggle with the adverse health and economic impacts from resurgent infections. The pressure for booster shots in countries with already-high rates of vaccination could further delay access in others still at early stages of getting first jabs into arms. The continuing wide circulation of the virus, particularly within countries and populations where vaccination rates are low, poses threats to health and economic recoveries everywhere. The World Health Organization is warning that more transmissible and deadly variants—which could escape protection from existing vaccines—are likely to evolve so long as a substantial share of the world population remains unprotected.

The forecast is predicated on financial conditions remaining supportive.

Financial market sentiment has largely stayed attuned to the policy outlook as the recovery has proceeded (see the October 2021 Global Financial Stability Report and Figure 1.6).

**Figure 1.6. Monetary and Financial Conditions**  
(Percent, unless noted otherwise)

Financial conditions are supportive and attuned to the recovery.



However, the high uncertainty around the conjuncture has also led to heightened sensitivity to any news, in particular about inflation prospects in advanced economies. The first quarter of 2021 and a brief period in June saw a bout of financial market volatility, with investors repositioning portfolio holdings as they reassessed the outlook for US inflation and monetary policy. Concerns about the spread of the Delta variant and associated implications for the recovery have also sparked episodes of volatility. Even so, the overall picture is still one of broadly supportive financial conditions. Equity markets are buoyant, credit spreads remain tight, and net flows to emerging market economies have hitherto been broadly stable (particularly into hard currency bond funds). The global growth forecast is predicated on this support continuing. Growth revisions: Vaccine rollout, policy support, and continued supportive financial conditions constitute the key considerations for the forecasts summarized in Table 1.1. • Advanced economies: Growth prospects for 2021 are revised down compared to the July forecast, largely reflecting downgrades to the United States (due to large inventory drawdowns in the second quarter, in part reflecting supply disruptions, and softening consumption in the third quarter); Germany (in part because of shortages of key inputs weighing on manufacturing output); and Japan (reflecting the effect of the fourth State of Emergency from July to September as infections hit a record level in the current wave). The US outlook incorporates the infrastructure bill recently passed by the Senate and anticipated legislation to strengthen the social safety net, equivalent to about \$4 trillion in spending over the next 10 years. The baseline also includes expected Next Generation European Union (EU) grants and loans for EU economies. Across advanced economies, an anticipated stronger rebound in the first half of next year, as vaccination proceeds, yields an upward revision to the growth forecast for 2022. • Emerging market and developing economies: The forecast for the group is marked up slightly compared to the July 2021. (Source: <https://www.imf.org/en/Publications/WEO/Issues/2021/10/12/world-economic-outlook-october-2021>)

## INDIAN ECONOMY

### Introduction

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.

### Market size

India's gross domestic product (GDP) at current prices stood at Rs. 51.23 lakh crore (US\$ 694.93 billion) in the first quarter of FY22, as per the provisional estimates of gross domestic product for the first quarter of 2021-22. India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up. India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. According to data from the Department of Economic Affairs, as of August 27, 2021, foreign exchange reserves in India reached US\$ 633.5 billion mark.

### Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 10.7 billion across 137 deals in August 2021, registering a 5x YoY growth. Some of the important recent developments in Indian economy are as follows:

- India's merchandise exports between April 2021 and August 2021 were estimated at US\$ 164.10 billion (a 67.33% YoY increase). Merchandise imports between April 2021 and August 2021 were estimated at US\$ 219.63 billion (an 80.89% YoY growth).
- In August 2021, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 52.3.
- The gross GST (Goods and Services Tax) revenue collection stood at Rs. 112,020 crore (US\$ 15.21 billion) in August 2021.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 547.2 billion between April 2000 and June 2021.
- India's Index of Industrial Production (IIP) for July 2021 stood at 131.4 against 122.6 for June 2021.

- Consumer Food Price Index (CFPI) – Combined inflation was 3.11 in August 2021 against 3.96 in July 2021.
- Consumer Price Index (CPI) – Combined inflation was 5.30 in August 2021 against 5.59 in July 2021.
- Foreign portfolio investors (FPIs) invested US\$ 2.5 billion in India in August 2021.

### Government Initiatives

The first Union Budget of the third decade of 21st century was presented by Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman in the Parliament on February 1, 2020. The budget aimed at energising the Indian economy through a combination of short-term, medium-term and long-term measures.

In the Union Budget 2021-22, capital expenditure for FY22 is likely to increase to increase by 34.5% at Rs. 5.5 lakh crore (US\$ 75.81 billion) over FY21 (BE) to boost the economy. Increased government expenditure is expected to attract private investments, with production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy. In September 2021, Prime Minister Mr. Narendra Modi approved the production-linked incentive (PLI) scheme in the textiles sector—for man-made fibre (MMF) apparel, MMF fabrics and 10 segments / products of technical textiles—at an estimated outlay of Rs. 10,683 crore (US\$ 1.45 billion). In September 2021, the government approved a production-linked incentive (PLI) scheme for automobile and drone industries with an outlay of Rs. 26,058 crore (US\$ 3.54 billion) to boost the country's manufacturing capabilities. In September 2021, Union Cabinet approved major reforms in the telecom sector, which is expected to boost employment, growth, competition and consumer interests. Key reforms include rationalisation of adjusted gross revenue, rationalisation of bank guarantees (BGs) and encouragement to spectrum sharing. In September 2021, the government announced plans to release Rs. 56,027 crore (US\$ 7.62 billion) under various export promotion schemes to boost exports.

In August 2021, the Indian government approved Deep Ocean Mission (DOM) with a budget outlay of Rs. 4,077 crore (US\$ 553.82 million) over the next five years. In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion). The Union Cabinet approved the production linked incentive (PLI) scheme for white goods (air conditioners and LED lights) with a budgetary outlay of Rs. 6,238 crore (US\$ 848.96 million) and the 'National Programme on High Efficiency Solar PV (Photo Voltic) Modules' with an outlay of Rs. 4,500 crore (US\$ 612.43 million). In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22. To boost the overall audit quality, transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives and large non-banks and housing finance firms. In May 2021, the Government of India has allocated Rs. 2,250 crore (US\$ 306.80 million) for development of the horticulture sector in 2021-22. In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.

Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Mr. Narendra Modi, Prime Minister of India, launched Make in India initiative with an aim to boost country's manufacturing sector and increase purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the Government has also come up with Digital India initiative, which focuses on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy.

Some of the recent initiatives and developments undertaken by the Government are listed below:

- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.

- In August 2021, Prime Minister Mr. Narendra Modi launched digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor, Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures including Rs. 15,000 crore (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India to increase foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for second tranche of EUR 150 million (US\$ 182.30 million) for Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet has approved the signing of memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched 'DGFT Trade Facilitation' app to provide instant access to exporters / importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs. 2.068 billion (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.

## Road Ahead

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus at 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates of July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with government's budget support to states, strengthened the overall growth of the Indian economy. India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30% and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030. India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

*(Note: Conversion rate used for September 2021 is Rs. 1 = US\$ 0.014)*

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

## INDIAN PACKAGING INDUSTRY

Over the past 8 to 10 years, India has achieved tremendous growth in terms of industrialization and globalization. The inherent result of which, there has been tremendous demand of modern technologies and upgradation of quality of packaging and in general, the quality of life. India has achieved huge rise in food production brought about by the Green Revolution. Food industry offers what is unquestionable, one of the largest opportunities for growth in India today. The industry will play a vital and positive role in the Indian economy. To reach such phenomenal growth, it is quite evident that the processing and preservation technology of food products has to keep pace with the growth. Hence, it is expected that the modern technology of flexible packaging like Aseptic Packaging, Barrier Packaging, Controlled Atmospheric Packaging will make big inroads in India.

Before we look into the present scenario of market, it would like to focus on the growth of packaging business and also would like to spend a few minutes to explain what is view of the definition of packaging and the philosophy believe we should adopt in order to successfully establish packaging technology in India. From ancient times, the practice of, which is today called 'PACKAGING', has been a vital technology of mankind. It is unquestionable that packaging has greatly contributed to culture and to society and that it continues to do so today in the age when the distribution of product has become an extremely important subject. Packaging can be said even to be "A face, which expresses the culture of a particular country". By this statement what mean is that the packaging invented by a certain people illustrates the special characteristics of that culture. It is therefore, necessary for those engaged in packaging, package development and distribution, especially for food packaging, to make themselves aware of people's thought regarding life as well as that people's behaviour patterns and to have deep understanding of the culture on which the behaviour is based. Food packaging is directly connected with the dietary habits of each culture and dietary habits are a key part of each culture. Understanding these habits is crucial for success in food packaging business. During pre-historic era, people hunted for food and soon they realized that they could keep their food longer if they protected it. Therefore, they made pockets out of large leaves and animal skin and kept water in containers made out of coconut shells and dried skins of vegetables, and eventually in bags and jars made out of leather. Plastics began to be used in one way or the other since around 1946 when Earl Silas Tupper began to produce and sell Tupperware - an airtight plastic container to homes. Inventions of Plasticising PVC in 1926, PVDC in 1933, LDPE in 1935, PET in 1941, HDPE and PP in 1951 were the events leading to rapid and wide spread of plastics packaging. Film Extrusion began in the late 1940s - 1950s and that opened up a huge opportunity for packaging sector by creating a whole new industry when packaging was largely done with paper, glass, metal and occasionally wood and leather. Gradually, plastic packaging came into existence and began to increase market share to take care of consumer goods, medicine and food. F&J Heinz brought packaging into Ketchup in 1876, Heinz introduced 57 food products in the market and packaging took off. Today, virtually everything we use needs packaging.

Potential

The growth in the flexible packaging industry in India is mainly driven by the food and the pharmaceutical packaging sectors. The large and growing Indian middle class, along with the growth in organised retailing in the country are fuelling growth in the flexible packaging industry. Another factor, which has provided substantial stimulus to the packaging industry is the rapid growth of exports, which requires superior packaging standards for the international market. The Indian packaging industry is dominated by plastic flexible packaging. The traditional rigid packaging users have also been seen to shift to flexible packaging in recent times. According to industry sources, the main reason for this is that flexible packages are found aesthetically attractive, cost-effective and sturdy. Consumer preference for the use of convenient packaging and packaged products in affordable quantities in laminates is also one of the main reasons that have contributed to the growth of flexible packaging in India. The food-processing sector is the largest user of flexible packaging, accounting for more than 50% of the total demand. The flexible packaging segment is estimated to be growing at over 35% annually.

The Indian packaging industry is currently \$18.8 billion with a growth rate of above 12.36% per annum - more than twice the global average while our GDP growth was 6-8%. Not only is the industry growing rapidly but it is also creating lucrative jobs for those who find a career in it. The packaging industry is expected to grow at 18-20% and is expected to reach \$43.7 billion by 2022. India's per capita consumption of packaging is only 4.3 kg per person per annum, as against Germany's 42 kg and China's 20 kg, which is very low compared to global standards. The packaging industry was growing at 12% per annum in India as against the global growth rate of 5%. There are roughly 22,000 packaging companies in the country covering from raw material manufacturers to machinery suppliers to ancillary material and nearly 85% of them are MSMEs. Flexible packaging demand in 2017 is estimated at \$5.6 billion (~ Rs. 35,000 Crore). This represents about 30% of the total packaging in the country. At an estimated growth rate for this segment in the region of about 18% (estimates vary from 12 to 24%) the turnover achieved in 2022 should be in the region of \$ 11-12 billion.

Laminated products including form-fill-seal pouches, laminated tubes and Tetra packs are growing at around 30% p.a. This also represents a corresponding additional requirement of capacity in the manufacturing sector. This means that the production will need to increase nearly 100% from the current levels. Considering that there is a major capacity addition

witnessed in 2017 and slated in 2018, over and above what is on the blue prints, at least 80% additional capacity will need to be generated. This is a huge challenge before the nation and a great opportunity for the players in the Flexible Packaging arena. This also opens possibilities for new entrants in the field provided they meet the changing scenario of customer needs and new challenges.

Initiatives are needed to convert the large unpacked commodities into processed, packed and well-presented commodities. India's imports at 20-25% with a value of \$125 million of its total packaging machinery indicate further opportunities not only for Indian companies to increase their share in domestic market but also for international companies to explore new business opportunities in India. The food & beverage and pharmaceutical segments occupy the largest share in the packaging industry, accounting for 85% and 10%, respectively. The plastic packaging market is expanding rapidly registering a growth of 20-25% per annum and is valued at 6.8 million tonnes while the paper packaging industry stands at 7.6 million tonnes. The packaging industry is poised to grow rapidly led by the increasing use of innovative packaging equipment and the rising volumes in flexible packaging market. So, it can easily be concluded that the future is bright for flexible packaging in India for this decade.

<https://www.nichrome.com/packaging-insights/volume-1/flexible-packaging-in-modern-india.php>

### **Flexible packaging market size to exceed USD 325.6 billion by 2030**

The food and beverages aisle in the supermarkets is filled with a variety of packaging structures including cartons of milk, square boxes of cereal, glass jars of peanut butter, and bags of chips. These packaging techniques have been popular for years, but things are slowly changing in the packaging industry all thanks to the advent of flexible packaging.

According to Allied Market Research, the global flexible packaging market is expected to reach USD325.6 billion by 2030 growing at a CAGR of 6.2% from 2021 to 2030. A flexible packaging overviews. The ease of use, resealable structure, and convenient shape of flexible packaging are what lured customers in the beginning. However, its low impact on the environment and introduction of greener, sustainable flexible packaging gained traction compared to conventional cartons and boxes. How did flexible packaging gain importance? Although square cartons of milk have satisfied consumers for many years, flexible packaging has offered several benefits to disrupt the packaging industry, especially in the food department. The advent of new materials and the introduction of a wide range of new design concepts to reduce waste gained a huge consumer base. In addition, flexible packaging proved to maintain the freshness of products within.

According to Allied Market Research, the global flexible packaging market is expected to reach USD325.6 billion by 2030, growing at a CAGR of 6.2% from 2021 to 2030. Cost-effectiveness and rise in product shelf-life and an increase in demand from the food & beverage end-use industries coupled with a surge in e-commerce sales are the prime factors that drive the market growth.

Extending the shelf life of food and keeping the product fresh, especially meat appealed to a lot of customers in the food retail industry. Several major companies in the flexible packaging industry launched new materials and packaging designs that can support product freshness. This changed the customer's perception of flexible packaging.

## **WHY CHOOSE FLEXIBLE PACKAGING?**

### **Convenience and portability**

Today's fast-paced lifestyle demands food packages that offer portability and convenience. Easy to the user and easy to eat products increase the overall sale of the product, which is the major driver of the flexible packaging industry. Studies show that customers are more inclined toward using easy to open, store packages. In addition, some food companies add reseals and child-resistance flexible packaging for supplements and cosmetics.

On the other hand, the lightweight nature of flexible packaging makes it more convenient to handle and a perfect fit for on-the-go consumption compared to traditional packaging methods.

### **Storage and transportation**

The lightweight nature of flexible packaging makes them ideal for long-distance transportation and helps in reducing the storage spaces while shipping. The transport companies often prefer shipping such packaging as it demands less gas consumption. On the other hand, in grocery stores, storage spaces impact the sale of the product and stand-up pouches demand less space, which encourages brands to switch to flexible packaging.



### **Additional shelf life**

It is undeniable that plastic consumption and waste is one chronic problem for the environment. However, while looking at plastic consumption, the issue of food wastage is overlooked. On the other hand, plastic flexible packaging helps the environment as it leaves a lesser carbon footprint than other conventional alternatives. Moreover, flexible packaging extends the life of perishable products due to its high-barrier films and airtight seals. This method prevents moisture accumulation and prolongs the shelf life of the good, which ultimately keeps the food away from ending up in a landfill. Customers can re-seal their remaining content and maintain the integrity and freshness for a longer duration.

### **Flexibility in design**

One of the most important aspects of the food retail industry is attractive packaging design. Flexible packaging offers the use of bright, eye-catching colours and graphics, which encourages 360-degree branding. This helps the brands to stand out in the supermarkets or grocery stores. Moreover, it helps in redefining the image of the brand.

### **Appeal for green, eco-friendly flexible packaging**

Flexible packaging gained popularity due to several environmental advantages compared to other packaging types. With flexible packaging, brands can save packaging costs and reduce the overall use of material waste. Moreover, with the advancements in technologies, flexible packaging is more concerned about environmental impact. Recently, UFlex, India's largest multinational flexible packaging material and solution company, and other companies including Hoffer Plastic and Mespack collaborated to develop a recyclable solution for flexible hot pouches. The collaboration was aimed to address the issues with the full recyclability of hot-fill pouches for ready-to-eat foods. The companies launched new Recycle Ready Single Material PP-based flexible packaging that integrated OPP and CPP layered structures that offer improved barrier properties, longer shelf life, and heat seal-ability for unrefrigerated food storage. Similarly, ProAmpac, the leading company in the flexible packaging industry announced the launch of R-2000D, a new addition to polyethylene-based structures. The R-2000D offers a high barrier to extend the shelf-life of dry products and it has been tested for polyethylene store-drop-off recycling. Apart from this, several recent product launches in the flexible packaging industry have showcased eco-friendly options. Bobst, a leading company in the packaging industry, has launched Generation 2.0 samples for high barrier flexible packaging solutions that are specially developed for recyclability. Bobst and its partners have been working on packaging structures to replace non-recyclable high barrier multi-material structures with mono-material alternatives. The environmental benefits of flexible packaging are linked to financial advantages due to less use of plastic materials, lower weight in the supply chain. These financial benefits have promoted recyclability and eco-friendliness of flexible packaging.

### **Sustainability in flexible packaging**

Over the last few years, more and more brands are moving toward sustainable packaging to meet consumer demand and stay ahead of the governmental regulations to be more environmentally conscious and reduce single-use plastic in packaging. Stand-up pouches are the most popular and fast-growing format in the flexible packaging market. They are not just convenient for customers but they require less energy to produce and leave a lower carbon footprint. Having PET facestocks on labels, these stand-up pouches enable fewer packaging components than the conventional methods and involve less labour to package a product. This is extremely beneficial for brands to tap into sustainability marketing as these packages involve no plastic bottles, lids, or seals. Stand-up pouches are easy to print intriguing lines and designs to attract customers and offer a fine-finished look on the shelf at a relatively lower cost.

### **The advent of digital printing**

This is the era of digital printing and conventional packaging methods struggle to adapt to this trend. Shorter runs, customisation, and greater sustainability are the major benefits of digital printing that help packages to stand out from other brands. Digital printing offers consumer goods brands the edge to execute high-impact graphics for shelf appeal and maximum branding. As customers are constantly looking for something new and better experiences, digital printing offers customisation on a whole new level. Whether the package is small or large, digital printing offers unique and personalised packaging which is what the packaging industry has been lacking. The advancements in printing methods, the evolution of material science, and developments in machinery open new opportunities in digital printing to satisfy customer demands. As flexible packaging is truly about functionality, digital printing is the next big thing in the industry.

### **Major trends in the flexible packaging industry**

The packaging industry is one of the major consumers of single-use plastic. Thus, the pressure for pushing for less single-use plastic drives the flexible packaging industry. Both packaging value chain players and customers aim to reduce plastic

waste. Before the Covid-19 pandemic, plastic de-selection was implemented at several retailers across the world, especially in Europe. The market growth of e-commerce since the Covid-19 outbreak is baffling. With the growth of e-commerce, the need for convenience has shaped new expectations in B2B and B2C industries. These e-commerce packages demand better impact and puncture resistance as they are handled by more people. Especially in the fresh meat packaging, a small leak could hamper the quality of e-grocery deliveries. Careless handling and poor packaging material could hamper the brand and create dissatisfaction among consumers. All these issues can be solved with the use of innovative materials in flexible packaging. The pressure to develop eco-friendly and sustainable packaging will continue to drive innovation in the flexible packaging industry. Several companies have already collaborated to harness the power of eco-friendly and puncture-resistant materials that offer increased shelf life and sustainability to meet customer expectations regarding packaging. The barrier properties of flexible packaging are under inspection over the last few years. As these barriers offer better contamination protection while using fewer materials, their applications and investment in R&D have increased. On the other hand, adhesives are other aspects that became popular in flexible packaging. From general-purpose sealing to dual oven-friendly lidding, adhesives offer improvements in containing liquid products and help brands meet customer demands. In the future, the flexible packaging industry would be driven by convenience, functionality, and sustainability. The variations and new technological innovations in these trends gain traction and help customers to access fresh, untampered products.

<https://www.printweek.in/features/flexible-packaging-market-size-to-exceed-usd-3256-billion-by-2030-55237>

“In coming years, the Indian packaging industry will see substantial growth. The increasing awareness regarding clean water, safe food, and pharmaceuticals along with adoption of next gen digital technologies will aggressively penetrate and drive the Indian packaging industry” - Thomas Schneider, President of the World Packaging Organisation (WPO). Globally, the packaging industry sector has positioned itself as one of the fastest growing industry across all countries. The industry is worth over \$ 917 billion (in 2019), growing at CAGR 2.8% to reach to \$ 1.05 trillion by 2024. Packaging is an emerging science, an emerging engineering discipline, and a successful contributor to major industries such as pharmaceutical, FMCG and electronics. Packaging is the world’s third largest industry following the food industry (1st) and energy (2nd) and the only industry that has to do with every single product produced in an economy.

In India’s case, packaging is the fifth largest sector in its economy and is one of the highest growth sectors in the country. According to the Packaging Industry Association of India (PIAI), the sector is growing at CAGR 22% to 25%. Over the last few years, packaging industry has been an important sector driving technology and innovation growth in the country and adding value to the various manufacturing sectors including agriculture and FMCG segments. According to the Indian Institute of Packaging (IIP), the packaging consumption in India has increased 200% in the past decade, rising from 4.3 kg per person per annum (pppa) to 8.6 kg pppa as on FY20. Even with this steep rise in the last decade, there is significant headroom for growth in this sector when compared to other developed regions across the globe as seen in the following graph.

This rise in consumption is driven by key aspects of the rising Indian economy namely, strong favourable demographics, increasing disposable income levels, rising consumer awareness and demand for processed food. The growth of individual end user segments of food, beverages, FMCG and pharmaceuticals will trickle down into rising demand of packaging solutions. The current consumption of packaging materials by end user industries is as follows:

#### A bright future awaits Indian packaging industry

In the coming decade, India will focus on transitioning this industry towards sustainability and smart solutions. The implementation of single use plastic ban policy along with a focus on recycling and biodegradability will bring about a major transformation in this sector. Currently, Indian packaging industry consumes more polymers compared to the global average. This indicates a major dependence of the industry on upstream feedstock production (ethylene, propylene, styrene, etc). In fact, India currently imports nearly 1.7 MTPA of polyethylene (PE) in addition to utilizing around 73% of its domestic ethylene production towards PE. A major portion of this demand for PE is generated by the Indian packaging sector.

This creates a unique opportunity for India to drive this industry towards sustainability, bio-based / paper-based packaging and in effect reduce the import bill and divert the valuable domestic ethylene production towards import substitution of other crucial chemicals / polymers like methyl ethyl ketone, PVC and ethylene oxide. The packaging sector has a much wider exposure to other sectors of our economy. The growth of these sectors in the coming decade will have a combined effect to take this sector to new heights. Government of India recognised the potential of this sector and released a slew of policies like the single use plastic ban policy, profit linked tax incentive for food packaging, adoption of National Packaging Initiative, to further incentivise innovation in this sector. As a result, there are numerous champions which have come up to the task and have posted significant profits in the last 5 years. There has also been a rise in material technology research-based Startups to create new sustainable packaging materials.

With this growing awareness and governmental push, the research on eco-friendly and sustainable packaging is steadily on the rise in the country. Sustainability has become a key focus area of many of the packaging solutions manufacturers. Globally, Storopack has a new material called rEPS, made from 100% recycled EPS (Expanded Poly Styrene) providing an attractive solution for companies who wish to use environment friendly packages. In India, the corrugated boxes are becoming popular across industries over polymer-based alternatives such as (EPS) foams. Also, the rise of startups like Greendiamz Biotech and Envigreen are tackling different problems across the supply chain of packaging materials to ensure a sustainable and environment friendly growth of this industry in the coming years.

<https://www.investindia.gov.in/team-india-blogs/indian-packaging-sector-outlook-industry>

## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled “*Risk Factors*”, beginning on page no. 20 of this Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “*Risk Factors*” and the chapters titled “*Financial Statements as Restated*” and “*Management Discussion and Analysis of Financial Conditions and Results of Operations*” beginning on page no 20, 127 and 149 of this Prospectus

Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to "we", "us", "our" and "our Company" are to “**Clara Industries Limited**”.

## **OVERVIEW**

We are engaged in business of providing flexible plastic packaging solutions to our clients, we serve varied sectors spanning FMCG, Consumer Product, Hardware Tools, Hospitality, Housekeeping, Pharmaceuticals, Clothing & Hosiery, Edible Oil, Salt and Sugar. Our Company is known in the industry for manufacturing and supplying of high-end multilayer Plastic bags and multilayer Plastic rolls in India. Our Promoters initially started business of flexible packaging way back in the year 2014 in the name of M/s Clara Petrochemicals, a sole proprietorship firm. In flexible packaging, we manufacture printed films with surface printing as well as reverse printing, films between 51 micron and above as mandate by government laws and also laminates in two-, three- and four-layer structure. We also manufacture standing pouches, side gazette pouches, Press & lock pouches and other pouches as per customer’s requirement. Our Company has installed various testing equipment by virtue of which it will develop new packaging solutions at cheaper cost without affecting quality of the products. We regularly conduct batch wise tests on all our products for examining their strength, quality aspects etc. Our machines are capable of manufacturing multiple products at one point of time Our Business is not seasonal in nature but demand for some items such as Plastic bangles and peanuts packaging are seasonal. We manufacture plastic bangles which sells mostly during the festive time like Diwali and Karva Chauth whereas demand for peanuts tend to increase during the period September to January. Moreover, our promoters has been in the industry for more than decade, by using his experience our company do assemble plastic packaging machines for client. This is an additional business that the company runs.

Our product range includes;

- a. Packaging Films.
- b. Flexible Packaging.
- c. Horticulture Bags.
- d. HDPE Bottles.
- e. Plastic Matts.
- f. Printed and non-printed Plastic Sheets.
- g. Plastic Bangles.

We have our manufacturing unit located at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India, having a total area of approximately 14,714 sq. ft. as on date of filing of Prospectus. Our manufacturing unit is being recognized for its in-house quality Management. Our manufacturing process starts with procurement of raw material such as plastic granules and PET sheets then manufacturing process is been carried on the raw material post which the finished product is ready and is ready for dispatch. Our manufacturing facility is well equipped with streamlined process to ensure quality of products and timely manufacturing. We endeavour to maintain safety in our premises by adhering to key safety norms. We provide the best-in-class quality packaging solutions to our esteemed customers spread over all the sectors. We believe that we offer best to all our customers which makes us possible by understanding our client’s needs and strive to deliver beyond their expectations. We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for quality management systems. We believe that we carry out extensive quality checks and source

our raw materials from reliable and recognized suppliers to maintain the standard and quality. We are providing quality that ensures customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key suppliers and our key customers through the quality of products we provide.

Flexible packaging makes thousands of products more convenient, enjoyable, and safer for consumers. A package or container made of flexible or easily yielding materials that, when filled or closed, can be readily changed in shape. They are used for consumer and institutional products and in industrial applications, to protect, market, and distribute a vast array of products. Our Company believes in the phrase "Innovation as key to future" and we have been keeping pace with modernization in all sphere of development, manufacturing, and marketing, emphasis on product quality & client satisfaction. A professional approach and constant interaction ensure client requirement is met with high standard within the agreed guideline of time and cost. Its impressive growth has been largely due to confidence in its own capability and impressive infrastructure it has created over the years. Our company has been steadily diversifying as well as adding new products to its portfolio, besides adding additional infrastructure for increasing its manufacturing capability for its existing products.

One of the key drivers of our company is we use our wastage through our recycling plant, we have a recycle plant in our factory which recycle the wastage from our manufacturing process, this wastage is used as a raw material for manufacturing Plastic Mats. We recycle the waste and use to manufacture plastic mats. Hence, we consider ourself zero wastage plant having state of the art recycling facility having two stage filtration system, which is one of the unique machineries in India.

Flexible packaging may be constructed using any combination of the materials: paper, plastic film, foil; and typically take the shape of a bag, film, lidding, liner, overwrap, pouch, roll stock. The industry continues to advance at an unprecedented rate. Innovation and advancements in technology have led to the development of lighter weight packaging that enhance flexible packaging's shelf appeal, strength, product protection, and the ability to be sealed. Over the years due to innovation, there has been boost in demand of plastic packaging and this boost in demand has pushed the company to achieve new heights.

Our Company is promoted by Ms. Parry Kukreja and Mr. Nikhil Kukreja who are the guiding force behind all the strategic decisions of our Company. Their industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. Since the early days of our inception, we have gathered the industry knowledge, market awareness and also possess the infrastructure to support our manufacturing activities. Our products can be applied in array of vary industries etc. We have the capability and flexibility to meet the exact specifications and sizes of the products as per the requirements of our customers. We have set manufacturing facilities and team of motivated and experienced staff in production and sales to meet the quality and service expectations of our customers.

The basic raw material required in our manufacturing process is called as granules and PET sheets. We source our raw materials from domestic market. To maintain quality of our product we have implemented several quality control mechanisms for sourcing of raw materials. Also, we believe that our current manufacturing facility is well-equipped with automated and semi-automated equipment and facilities.

In the Year 2021, our Company through a Business Transfer Agreement (BTA), has acquired a proprietor firm named M/s Clara Petrochemical which is run and operated by our promoter Ms. Parry Kukreja. The Business takeover has resulted into a synergy effect which will provide an inorganic business growth and would result in a stable financial position of the company in the coming future. This acquisition has provided a strategy to build a sustainable and profitable business and synergies through supply chain opportunities and operational improvements, go-to-market and distribution network optimization, scale efficiencies in cost areas such as marketing, and optimization of overlapping infrastructure. It is an advantageous to combine the activities and operations of both proprietor firm and Company into a single Company for synergistic linkages and the benefit of combined financial resources. This will be reflected in the profitability of our Company. This Takeover will also provide an opportunity to leverage combined assets and build a stronger sustainable business and will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise. Other benefits that can be seen is increase in reserves, investments, goodwill, manpower, finances, customers, distributors, brands etc. at its disposal for meeting its requirements.

We primarily sell our products to thorough direct orders from clients. Our clients are based from Rajasthan, Bihar, Uttarakhand, Himachal Pradesh and Punjab.

We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted the best measures in the industry. We believe that we carry out extensive research, training and upgradation of technology to maintain the standards and quality of our services We are providing services that ensures

customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key customers through the quality of services we provide.

The following table sets forth certain information on the revenue contributed by our business segments, for the periods indicated:

(₹ in lakh)

Year Particulars	2018-2019		2019-2020		2020-2021		Sep-21	
	Amt	%	Amt	%	Amt	%	Amt	%
Plain Plastic Bags	1.01	0.46%	23.76	10.04%	30.85	10.08%	6.46	4.32%
Plain Plastic Rolls	3.23	1.46%	0.78	0.33%	4.35	1.42%	4.77	3.19%
PP Mats	61.25	27.67%	105.57	44.60%	171.91	56.17%	63.30	42.34%
Printed Plastic Bags	96.78	43.72%	84.06	35.52%	78.83	25.75%	33.81	22.61%
Printed Plastic Rolls	3.90	1.76%	1.14	0.48%	8.54	2.79%	3.35	2.25%
Plastic Scrap	5.54	2.50%	3.87	1.64%	0.011	0.04%	-	0.00%
Horticulture Bags	4.60	2.08%	15.00	6.34%	10.00	3.27%	0.87	0.59%
Machines	-	0.00%	1.30	0.55%	-	0.00%	36.00	24.08%
Other Sales	45.05	20.35%	1.17	0.50%	1.47	0.48%	0.93	0.63%
<b>Total</b>	<b>221.40</b>	<b>100.00%</b>	<b>236.68</b>	<b>100%</b>	<b>306.08</b>	<b>100.00%</b>	<b>149.52</b>	<b>100%</b>

\*The above mention data is of proprietorship firm Clara Petrochemicals.

Our Company was originally incorporated as a public limited company on September 02, 2021 as “Clara Industries Limited” vide Registration No. 151537 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company has acquired the entire running business with the assets and liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our Promoter Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021. The Corporate Identification Number of our company is U25209UP2021PLC151537.

## OUR LOCATIONS

<b>Registered Office &amp; Factory Office</b>	127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India.
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## OUR COMPETITIVE STRENGTHS

### Expanded Product portfolio – One stop shop for packaging solutions to our customers

Our product portfolio comprises of Packaging Films, Flexible Packaging, Horticulture Bags, HDPE Bottles, Plastic Mats, Printed and non-printed Plastic Sheets, Plastic Bangles. We can cater to a variety of packaging solution requirements of customers across various industry segments and can manufacture packaging products for products ranging from 5 gram to 5000 Kgs. Our broad range of products allows our customers to source most of their product requirement from us. Our versatile equipment capability is one of our principal competitive strengths.

### Location Advantage

Our manufacturing unit is located in Saharanpur, Uttar Pradesh. Our location gives us access to various state such as Uttarakhand, Himachal Pradesh, Delhi and Haryana. This provides us with efficient logistics easy thereby reducing our transportation and raw material cost as compared to our competitors.

### Diversified customer base

We focus on maintaining and establishing long-term relationships with our customers. Our customers include from various sectors spanning FMCG, Consumer Product Hardware Tools, Hospitality, Housekeeping, Pharmaceuticals, Clothing & Hosiery, Edible Oil, Salt and Sugar. We believe that we have an ability to address the varied and expanding requirements of our customers. Our diversified customer base has helped us in introducing new products thereby expanding our product portfolio and consequently helping us in expanding into new markets.

### Product Quality

We believe in providing quality and timely service to our customers. We are ISO 9001:2015 certified company. We have a set of standards for ourselves when it comes to timeliness and quality of service we provide to our customers. The

stringent systems ensure that all the products reach our customers on stipulated time and there are minimum errors to ensure reduced product rejection. We believe that our quality service has earned us goodwill from our customers, which has resulted in customer retention and order repetition. It has also helped us to add to our existing customer base. We have developed internal procedure of checking the client orders at each stage from customer order to delivery. Our company focuses on maintaining the level of consistency in our service, thereby building customer loyalty for our Brand.

#### **Semi-automated units**

The manufacturing facility at which we operate is a semi-automated unit and the manufacturing process is managed through automatic machines and experienced manpower. Further, our raw material losses are minimized due to advanced machines placed in the unit for the manufacturing operations in our plant. Also, our labour wages are less as most of the work is been done by the machines.

#### **Needs of Customers:**

We have a system in place which has attained high level of knowledge about the needs of our customers, resulting from continuous two-way communication between our representatives and customers. We have a team of individuals who are constantly analyzing the market scenario and study our customer's requirements. We try to cater to our customer's requirements by offering them a vast basket of product range. Our experience combined with our professionalism and capacity to deliver has helped us to grow at a steady rate. Our aim is to earn customer's trust and confidence through personal attention, passion for what we do and commitment to long-lasting relationship. We are prepared to go an extra mile to deliver to our customers' a measurable business value and help them adopt and succeed in the industry.

#### **Strong management team and motivated and efficient work force.**

We believe that our qualified and experienced management has substantially contributed to the growth of our business operations. Our Promoters and Directors have more than a decade of experience in packaging industry. Emphasis on systems and individuals has enabled us to build up capabilities to operate at different locations. Empowerment of management by delegation of authority has been our strength in meeting management expectations and has helped our Company in building a team of experienced employees. We believe that the experience of our senior management team has translated into improved product quality, increased profitability and improved margins which give us competitive edge.

#### **Progressive Employer**

Clara is continuously focused on creating an engaging atmosphere for our Employees to learn, contribute and grow. We nurture a sense of equality among our team members and offer them ample opportunities to pursue their passion and grow.

There is an active FUN team that creates opportunities for enjoyment even while working. We believe in timely compliance of all statutory payments especially related to employees. Our company ensures a safe environment, dignity and respect for all our employees irrespective of gender, religion, caste.

### **BUSINESS STRATEGY**

#### **Enhance profitability by supplying products to the end customers.**

Presently, our sales comprise of sale of our products to customers mainly based from north India. We intend to set up our representative office's other locations in next two years. These representative offices will supply the products directly to the end users thereby helping our customers to implement Just-In-Time (JIT) concept. We believe that it will enhance our customer base in overseas market and will result into higher volume of business and profitability.

#### **To reap the benefit by enhancing manufacturing capacities**

We are focused on establishing and increasing our manufacturing facilities as this will allow us to exercise control over manufacturing costs and the quality of the finished products. We believe that an increase in manufacturing capacity will help us reap the benefits of economies of scale, and this would eventually lead to an improvement in the price competitiveness of our products.

### Cost effectiveness

Apart from expanding business and revenues we have to concentrate on reducing the costs in order to remain competitive in the industry. Measuring and evaluating costs at each cost centre and bench marking the same to industry / scientific standards is our core strategy to control direct costs and overheads. Our focus has been to reduce the operational costs to gain competitive edge. We are, to some extent successful in our efforts and hope to continue more vigorously to bench mark ourselves with the best in the industry.

### Maintain our focus to strengthen customer relationship

We expect to maintain our focus on customer relationships. We believe that there are significant business opportunities from existing as well as potential customers as we diversify our product portfolio and build upon the existing relationships. We believe that this strategy would increase our customer specific knowledge enabling us to provide packaging solution as per their requirement and develop closer relationships with these customers.

### Increase Brand awareness

We believe that it's critical for success to have strong brand recognition and recall value. We intend to enhance the brand recognition of our services through our presence in major cities. We also intend to focus on use of targeted marketing initiatives such as digital and print advertisements, as well as marketing through traditional channels such as outdoor advertising. Our marketing and advertising initiatives shall be directed to increase brand awareness, acquire new customers, drive customer traffic across our retail channels and strengthen our brand recall value.

### Building-up as a Professional Organisation

We believe for a business to grow beyond a certain size, it needs to be run as a professional organisation. No organisation run in a promoter-centric or an unorganised manner can become a large business. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business.

### Continue to attract and retain talent

As part of our business strategy, we are focused on attracting and retaining high quality talent as we continue to expand our service offering. We have recruited and retained talented employees from a variety of backgrounds. We expect to continue to attract talented employees through our retention initiatives. We intend to invest adequate time and resources for training our employees, which we believe would foster mutual trust, improve the quality of our customer service and place further emphasis on our continued retention.

### Strategic Acquisition and Alliance Opportunities

We intend to explore and evaluate strategic acquisition and technology alliance opportunities to gain access to new clients and sectors, add new technology capabilities to our offerings that drive synergies with our existing business ventures.

## SWOT ANALYSIS

Strengths	Threats
<ul style="list-style-type: none"> <li>• Location Advantage of Manufacturing unit</li> <li>• Strong Clientele</li> <li>• Quality of Products</li> </ul>	<ul style="list-style-type: none"> <li>• Intense Competition from Unorganized Player</li> <li>• Change in regulatory norms in our country.</li> </ul>
Weakness	Opportunities
<ul style="list-style-type: none"> <li>• Fluctuation in Raw Material Costs</li> <li>• Factory and Machinery on lease</li> </ul>	<ul style="list-style-type: none"> <li>• Goods ban from China will increase our sales</li> <li>• Exploring New Export Markets</li> </ul>



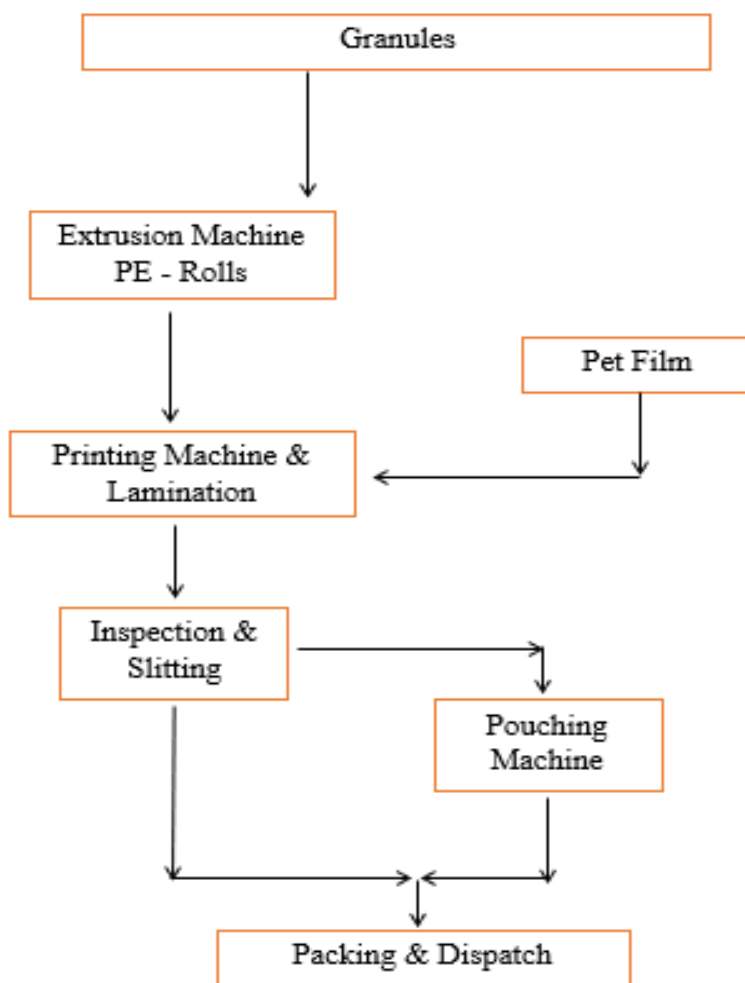
## OUR MACHINERY

Sr. No.	Name of Machine	Qty.	Sr. No.	Name of Machine	Qty.
1	Bottom Seal (34 Inches) *	1	13	Extruder Machine	8
2	Bottom Seal (28 Inches) *	1	14	Mixture Machine	1
3	Six Colour Rotogravure Printing Machine with Hot Air and Compressor*	1	15	Compressor	2
4	Six Colour Flexed Printing Machine with Hot Air	1	16	Granulating Machine	4
5	Side Seal Machine (24 Inches)	1	17	Generator	1
6	Side Seal Machine (28 Inches)	1	18	Granulating Machine	1
7	Pouching Machine with Compressor	1	19	Warping Machine	1
8	Slitting Machine	1	20	Agro Grinder	1
9	Core Cutter	1	21	Grinder	1
10	4/6 Loom Machine	3	22	Zipper Pouching	1
11	6/9 Loom Machine	2	23	Machine Spare Parts	1
12	5/7 Loom Machine	1			

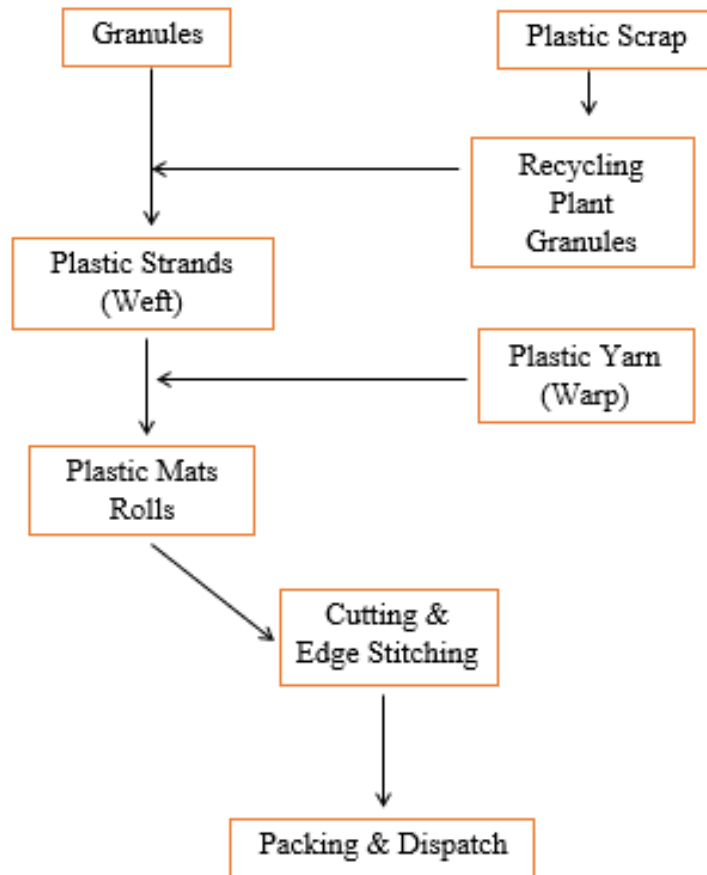
\*Machinery is taken on lease by the company from the M/s Chand Plastic Corporation, the owner is of this proprietor firm is the promoter of the company Mr. Nikhil Kukreja.

## OUR MANUFACTURING PROCESS


### Processing Chart for Flexible Packing




**Processing Chart of Plastic Mats**



**OUR BUSINESS PRODUCTS:**

1		<p align="center"><b><u>FLEXIBLE PACKAGING</u></b></p> <p>We at “CLARA” manufacture flexible polyester pouches which are widely used in almost every industry. Non-rigid packaging structures is used to package and protect products. Flexible packaging is any package or any part of a package whose shape can be readily changed. Common examples of flexible packaging are bags and pouches. In our unspoken yet universal commitment, we believe that all our customers deserve nothing less than the best. Flexible pouches are single-use bags commonly made of metal foil, and plastic. They are used for packaging everything from snack foods to industrial liquids and are commonly found on supermarket shelves across the globe.</p>
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<p>2</p>		<p style="text-align: center;"><b><u>HORTICULTURE BAGS</u></b></p> <p>We at “<b>CLARA</b>” produce high quality Horticulture bags. These flexible poly bags have proven to stimulate healthy plant growth. They are made of LDPE which is highly durable and they will last for at least one growing season. <b>CLARA</b> can fully customize your plant bags with vent holes and many other features. Very economical in purchase compared to other containers. Less storage space is needed since they fold up flat. Transportation costs are lower because they are light-weight. Some of the main advantages are as follows:</p> <ul style="list-style-type: none"> <li>i. During rainy seasons: good water drainage.</li> <li>ii. Amidst drought: retain moisture longer</li> <li>iii. Protection against harmful UV-rays.</li> <li>iv. Guard against small rodents and insects.</li> </ul>
<p>3</p>		<p style="text-align: center;"><b><u>HDPE BOTTLES</u></b></p> <p><b>HDPE</b> bottles have gained a substantial proportion due to its chemical composition which poses the lowest threat to life and health as regards products fruit juices, milk, detergents and cleaners. The fact that all of these different products are primarily packaged in <b>HDPE</b> bottles today has given a massive boost to <b>HDPE</b> bottles market. A significant proportion of the working population, for example, every person who travels for work requires easy to carry, sturdy bottles for their needs. Additionally, <b>HDPE</b> bottles have been able to meet the requirements of a highly demanding global FMCG market. Advantages of the HDPE bottles are as follows:</p> <p>Cost-effective, can withstand temperatures from -148 to 176 degrees Fahrenheit, Non-leaching, UV-resistant, Dishwasher safe, Resistant to most chemical solvents, Stiff material etc.</p>
<p>4</p>		<p style="text-align: center;"><b><u>PLASTIC MATS</u></b></p> <p>Plastic Mat is made using premium virgin quality polypropylene straws to offer strength, softness and beauty. We use our Plastic printing waste material's recycled granules also to make the mats. Carpet - Floor Mat is lightweight, portable and very easy to maintain.</p> <p>These reversible outdoor mats are made from 100% virgin polypropylene along with edging that is heat treated to reduce fraying, soft and durable, low-maintenance, water resistant, mould and mildew resistant. It's soft and comfortable to walk on barefoot. The Breathable material will not hurt grass or scratch your deck.</p>

5		<p style="text-align: center;"><b><u>TRANSPARENT PLASTIC</u></b></p> <p>Clear transparent packaging will allow consumers to view directly at your premium products, making it outstanding and differentiate other products. Transparent plastic film is used to make pouches. For example, biscuits, rusks and it is also used in salt and spices etc. for inner packing. Transparent pouches are used to pack almost all products, such as garments, rice, tools, machines, FMCG etc. All machine manufacturers use Machine Grade Stretch Film which is used where customers have the provision to use a machine to wrap their products. Polyester films have outstanding mechanical strength, dimensional stability, transparency and chemical resistance. They are available in many different grades and they are used for a wide range of applications.\</p>
6		<p style="text-align: center;"><b><u>PRINTED PLASTIC FILMS</u></b></p> <p>We are multi-layered printed film manufacture which are widely used in different industries such as the food packaging industry, pharma industry, and automobile industry etc. We are the leading polyester film manufacturer who has an expert team and modern technology to provide high quality and cost-effective printed pouches. These pouches have high tear strength and maintain the quality of a product for a longer duration. As a packaging pouch manufacturer, we assure that the pouches should be leak proof and easy to handle and transport.</p>
7		<p style="text-align: center;"><b><u>PLASTIC BANGLES</u></b></p> <p>We hold an expertise to offer our precious clients a unique range of Raw Plastic Bangle. In compliance with the defined industry norms, this bangle is well-designed using qualitative grade basic material and progressive machines under the direction of our adroit professionals. Due to its excellent finish, our provided bangle is much admired by our clients.</p>

## COLLABORATIONS

Our Company has not entered into any collaboration agreements as on date of this Prospectus.

## INFRASTRUCTURE FACILITIES FOR UTILITIES LIKE ELECTRICITY WATER & POWER.

### Infrastructure Facilities

Our registered office and Factory are situated at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India our registered office and factory are well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

## Raw Material

The major raw material used by our Company are granules and PET Sheet, apart from that we use PET Film, BOPP Film, LDPE Multi-layered Film, Granules of LD, PP, HDPE, Printing inks, adhesive, and PP Yan as raw material. These are sourced from vendors such as Reliance Industries Limited, Haldia Petrochemical Limited, GAIL, BPCL Brahmaputra petrochemical, IOCL to name a few.

## Power

We have arrangements for regular power supply at our registered office, manufacturing unit and retail shop. This power is being supplied to us from Paschimanchal Vidyut Vitran Nigam Limited at our manufacturing unit and registered office. We have 63Kva Kirloskar dg set installed at our factory required for power backup.

## Water

Our registered office has adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

## Pollution Control

Our manufacturing process does not engage any air, water or noise pollution. We do not have any emissions or discharges from the plant / processes which have any adverse impact on environment. We conduct our business in accordance with the following environmental related matters:

- Compliance with statutory norms and requirements
- Environmental management practices
- Clean and healthy environment for our staff and workers

## EXPORT AND EXPORT OBLIGATIONS

As on date of this Prospectus, our Company does not have any export and export obligation.

## INTELLECTUAL PROPERTY RIGHTS

Our corporate name and logo have not been registered under the Trade Marks Act, 1999.

## CAPACITY AND CAPACITY UTILIZATION

Segment	A	B	C	Overall Plant
<b>Product</b>	Plain Plastic bag, Plain Plastic Tubes, Plain Plastic Rolls	PP Mats (5%), PP Mat roll	Printed Plastic Bags, Printed Plastic rolls	-
<b>Maximum Capacity (kg / hr)</b>	100	200	150	-
<b>Production (kg / hr)</b>	17.33	117.54	23	-
<b>Capacity Utilisation (%)</b>	17.33%	58.77%	15.33%	-
<b>Production (kg)</b>	41,615.45	2,82,108	55,549.08	3,79,272.53
<b>Weighted Average Capacity utilisation</b>				<b>47.86%</b>

*\*The above mention data has been evaluated of the machines that were owned and used by M/s Clara Petrochemicals. Clara Industries Limited, had taken over the proprietorship firm by virtue of Business transfer agreement. Due to this takeover asset of the firm has been transferred to the company and as on date of certificate i.e. November 11, 2021 the machine is in the name of Clara Industries Limited. Please take in to account the mention point before evaluation.*

Overall plant capacity and its utilisation is **47.86%**, Above calculation is based on **1 shift of 8hrs** working basis and **300** working days a year.

## HUMAN RESOURCE

Human resource is the key element for our Company's growth strategy and handling the day-to-day activities within the organization. We focus on attracting and retaining the best possible talent. Our team is a blend of experienced, professional with expertise in capital markets. Our Company does not have any Employee Unions.

As on date of filing of this Prospectus, we have 18 employees in our company. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we consider our relationship with our employees to be good. And all the employees who are employed in their respective departments also work with integrity to make sure the operation the company are fulfilled and the targets the company has set are achieved.

## HEALTH, SAFETY, SECURITY AND ENVIRONMENT

We have also adopted best practices, including deployment of advanced technology at our factory, and regularly undertaking mock drills and other safety orientation programmes to promote a safe working environment. Our operations are subject to governmental, state and municipal laws and regulations relating to the protection of the environment, including requirements for water discharges, air emissions, the use, management and disposal of solid or hazardous materials or wastes and the cleanup of contamination. However, typically in contracts entered by us all the necessary approvals and environmental clearances for the project of the project are to be procured by our clients.

## MARKETING AND DISTRIBUTION STRATEGY

We are mindful of the fact that there is stiffer competition in Plastic Packaging industry; Our sales and marketing team is recruited on the basis of experience in the industry and are trained on a regular basis so as to be well equipped to meet their targets and the overall business goal of our Company. Our corporate goal is to grow our company to attain a prime position for Plastic Packaging industry through cutting edge technology and execution excellence in the India which is why we have mapped out strategy that will help us take advantage of the available market and grow to become a major force to reckon with not only in the India but also in other parts of the world.

Our company make use of the following marketing and sales strategies to attract clients;

- Visiting Existing as well as Prospective clients.
- Encourage word of Mouth marketing from loyal & satisfied customers.
- Generating references thru Industry experts.
- Fully functional and self-explanatory web portal ([www.clara.co.in](http://www.clara.co.in))
- We are in the era of digitalization; hence our company aims at creating visibility through all digital media channels.
- Attend and participate in relevant international and local expos, seminars, and business fairs.
- Engage direct marketing approach.

## PROPERTIES

### Properties taken on rent by the Company

Sr. No	Location	Name of Licensee	Document and Date	Rent (In Rs) (per month)	Period of Agreement	
					From	To
1.	127/1 Simbhalka Junardar, Janta Rd, Saharanpur-247001, Uttar Pradesh, India	Ms. Parry Kukreja	October 01, 2021	10,000/-	October 01, 2021	August 31, 2022

## COMPETITION

In particular, we compete with other plastic packaging companies, operating in the same geographies as ours. We operate in a competitive atmosphere. Some of our competitors may have greater resources than those available to us. While

product quality, brand value, distribution network, etc. are key factors in client decisions among competitors, however, price is the deciding factor in most cases. Among listed Companies, we face competition from listed companies in our industry. We compete against our competitors by effectively ensuring consistent product quality and timely services at competitive prices. No such consignments are accepted which are beyond our control and the best part is the only thing we know is how make Plastic Packaging. While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us.

#### **LIST OF CUSTOMERS AND SUPPLIERS**

##### **Percentage of Top 5 and Top 10 Suppliers of total Purchases**

<b>Particulars</b>	<b>For the period ended November 18, 2021</b>
% wise Top 5 of Total Purchase	66.19 %
% wise Top 10 of Total Purchase	84.50 %

##### **Percentage of Top 5 and Top 10 Customers of total Sales**

<b>Particulars</b>	<b>For the period ended November 18, 2021</b>
% wise Top 5 of Total Sales	99.99 %
% wise Top 10 of Total Sales	100.00 %

#### **INSURANCE DETAILS:**

As on the date of this Prospectus, our company do not have insurance policies.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Prospectus, the Companies Act, 2013, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in providing efficient management solutions in Highway Operations, Highway maintenance, consultancy services and equipment sales. Taxation statutes such as the I.T. Act, and applicable Labour laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, its required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page 167 of this Prospectus.

### **APPLICABLE LAWS AND REGULATIONS**

#### **BUSINESS / TRADE RELATED LAWS / REGULATIONS**

- 1. Consent under The Air (Prevention and Control of Pollution) Act, 1981**
- 2. Consent under The Water (Prevention and Control of Pollution) Act, 1974**
- 3. Certificate of Registration under Plastic Waste Management Rules, 2016**
- 4. Factories Act, 1948.**

*We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Clara Industries Limited pursuant to the Business Transfer Agreement dated October 29, 2021 between M/s. Clara Petrochemicals, a proprietary concern of Ms. Parry Kukreja and Clara Industries Limited, and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.*

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. For example, we have applied for the aforesaid consents and factory license, for running our operations in the new name Clara Industries Limited in a smooth manner. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

#### **The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”)**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 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.



The Central Government has vide its notification numbering 1702(E) dated June 1, 2020 amended the definition of MSME which has come into effect from July 1, 2020. The revised definition is as under:

- i. a micro enterprise, where the investment in Plant and Machinery or Equipment does not exceed one Crore rupees and turnover does not exceed five Crore rupees;
- ii. a small enterprise, where the investment in Plant and Machinery or Equipment does not exceed ten Crore rupees and turnover does not exceed fifty Crore rupees; and
- iii. a medium enterprise, where the investment in Plant and Machinery or Equipment does not exceed fifty Crore rupees and turnover does not exceed two hundred and fifty Crore rupees.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority.

The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council ('Council'). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### **Shops and establishments laws in various states**

As per the provisions of local Shops and Establishments laws applicable in the state of Uttar Pradesh establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **Professions, Trade, Callings and Employments Act in various states**

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of Uttar Pradesh, are empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the income of individuals, profits of business or gains of vocations. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such persons before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such persons and employer has to obtain the registration from the assessing authority in the prescribed manner.

### **Stamp Act in various states**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments / documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the states. Therefore, the State Government of Maharashtra, Gujarat, Madhya Pradesh, Rajasthan, Andhra Pradesh, Telangana, Tamil Nadu, Uttar Pradesh, Jharkhand and Haryana are empowered to prescribe or alter the stamp duty as per their need.

## **UTTAR PRADESH**

### **GENERAL CORPORATE COMPLIANCE**

#### **Companies Act, 2013 (the "Companies Act")**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013.

The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908 (“Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## **EMPLOYMENT AND LABOUR LAWS**

### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019 and is published in the official gazette. The Code replaces the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

### **The Code on Social Security, 2020 (the “Code”)**

The Code received the assent of the President of India on September 28, 2020 and is published in the official gazette. The code will replace the nine existing laws namely (i) The Employees’ Compensation Act, 1923 (ii) The Employees’ State Insurance Act, 1948 (iii) The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (iv) The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959 (v) The Maternity Benefit Act, 1961 (vi) The Payment of Gratuity Act, 1972 (vii) The Cine Workers Welfare Fund Act, 1981 (viii) The Building and Other Construction Workers Welfare Cess Act, 1996 (ix) Unorganised Workers’ Social Security Act, 2008. The Code extends to the whole of India and covers all employees and workers whether in the organised, unorganised or any other sector and other connected and incidental matters.

### **Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 (the “Child Labour Act”)**

The Child Labour Act 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. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

## **TAX RELATED LEGISLATIONS**

### **Income Tax Act, 1961 (“IT Act”)**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

### **Central Goods and Services Tax Act, 2017 (the "GST Act")**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 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. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and / or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST(SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. 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.

## **ENVIORMENTAL RELATED LAWS**

### **The Environment (Protection) Act, 1986 (the “Environment Protection Act”)**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a framework for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and / or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to (a) prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

### **National Environmental Policy, 2006**

The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource.

### **Water (Prevention and Control of Pollution) Act, 1974 (the “Water Act”)**

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking, it applies to the (i) Occupier (the owner and management of the undertaking) (ii) Outlet (iii) Pollution and (iv) Trade effluents. The Act requires that approvals be obtained from the corresponding Pollution Control Boards in the state.

### **Water (Prevention and Control of Pollution) Cess Act, 1971**

The Water (Prevention and Control of Pollution) Cess Act, 1971 provides for the levy and collection of a cess on water consumed by persons carrying on certain industries and by local authorities, with a view to augment the resources of the Central Board and the State Boards for the prevention and control of water pollution constituted under the Water (Prevention and Control of Pollution) Act, 1974.

### **Air (Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”)**

With a view to ensuring that the standards for emission of air pollutants are complied with, the State Government shall, in consultation with the State Board, give such instructions as may be deemed necessary to the concerned authority and such authority shall, notwithstanding anything contained in that Act or the rules made thereunder be bound to comply with such instructions.

### **The Public Liability Insurance Act, 1991**

Public Liability Insurance Act, 1991 provides for public liability insurance for the purpose of providing immediate relief to the persons affected by accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto. It is the duty of the owner to take out one or more insurance policies providing for contracts of insurance whereby he is insured against liability to give relief.

### **Petroleum Act, 1934 (“the Petroleum Act”)**

The Petroleum Act consolidates and amends the law relating to the import, transport, storage, production, refining and blending of petroleum. Petroleum may be any liquid hydrocarbon or mixture of hydrocarbons, and inflammable mixture (liquid, viscous or solid) containing any hydrocarbon, and includes natural gas and refinery gas. As per the Act no one shall import, transport or store any petroleum save in accordance with the rules made except in accordance with the conditions of any licence for the purpose which he may be required to obtain by rule made.

### **Petroleum Rules, 1976 (the “Petroleum Rules”)**

The Petroleum Rules are applicable to all buildings or places in which persons dwell or assemble where any combustible material is stored and includes docks, wharves, public roads and streets, public foot-paths and public parks, but do not include any building or place which forms part of an installation.

## **ANTI-TRUST LAWS**

### **Competition Act, 2002 (the “Act”)**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employees Deposit Linked Insurance Scheme, 1976, The Employees Pension Scheme, 1995, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### **BRIEF HISTORY AND CORPORATE PROFILE**

Our Company was originally incorporated as a public limited company on September 02, 2021 as “Clara Industries Limited” vide Registration No. 151537 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Central Registration Centre. Subsequently, our Company has acquired a proprietorship firm, the entire running business with the assets and liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our Promoter Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021. The Corporate Identification Number of our company is U25209UP2021PLC151537.

As on date of this Prospectus, our Company has Seven (7) shareholders.

Our Company is promoted by Ms. Parry Kukreja and Mr. Nikhil Kukreja. They are the guiding force behind all the strategic and management decisions of our Company and has been an anchor to our company. Mr. Nikhil Kukreja has been an entrepreneur since 2008 and is experienced personnel in the packaging industry. The promoters are the frontline force behind the company, they are leading the company from the front. In addition to our individual Promoters, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe the stability of our management team and the industry experience brought on by our individual Promoters and the senior management team will enable us to continue to take advantage of future market opportunities and expand into newer markets. Our senior management team is able to leverage our market position with their collective experience and knowledge in the Flexible Packaging Industry, to execute our business strategies and drive our future growth.

Our company is successfully catering the needs of customers for almost a decade. Promoters’ industry knowledge and understanding gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues.

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 82, 127 and 149 respectively of this Prospectus.

### **ADDRESS OF REGISTERED OFFICE**

Our company registered office situated at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India.

### **CHANGES IN OUR REGISTERED OFFICE**

At present our Registered Office is located 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India. Prior to this, following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
C/O Nikhil Kumar Kukreja Zafar Nawaz	Saharanpur, Uttar Pradesh- 247001 India.	Upon Incorporation	
C/O Nikhil Kumar Kukreja Zafar Nawaz Saharanpur, Uttar Pradesh- 247001 India.	127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India.	November 01, 2021	To increase Operational Efficiency

### **MAJOR EVENTS AND MILESTONES**

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Particulars
2021	Incorporation of our company in the name and style of “Clara Industries Limited”.
2021	Company has taken-over the running business of Proprietorship firm of our Promoter i.e. M/s Clara Petrochemicals for expansion of the business of Company.
2021	Our Company has obtained ISO Certificate 9001:2015

## OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main object of our Company is:

*To provide manufacturing of LDPE, HDPE, PP, BOPP, ADHESIVE TAPES and its related products & activities also to carry on the business of Manufacturers and traders of Plastic bags, Industrial packaging SELF ADHESIVE TAPES. PRINTING AND PLAIN MULTI-LAYERED FLEXIBLE PACKAGING. MANUFACTURER OF PP PLASTIC MATS, TWINE AND ROPES. To carry on business of importers, exporters, manufacturers, agents and representatives and dealers in all kinds of plastic raw materials and products. To carry on the business of Manufacturers, Fabricators, Processors, Stockiest, Importers, Exporters, Distributors, Molders, Agents, Contractors, Whole-sellers, Retailers, Dealers and Stores of Plastic, PVC, Synthetic raw materials and such other powder of all description and its products including Polystyrene, Nylon, Bakelite, Cellulose, Acetate High Impact Polystyrene, Polyvinyl Chloride Compound, Urea-formaldehyde, Urea, Carbon black Polypropylene Polystyrene, Acrylonitrile (SAN), Poly carbonate (PC) Polyethylene fabrics, Plasticizers, Polymers, resin and articles of all description for industrial, Commercial, Agricultural and domestic purposes of composition of synthetics, plastic P.V.C and other such raw-materials and its products. To carry on business of plastic recycling and as dealers in plastic raw materials, resins, goods and articles connected with the plastic manufacturing industry.*

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Meeting	Nature of Amendment
October 25, 2021	EGM	Increase in Authorised Share Capital of the Company from Rs. 15,00,000 (Fifteen Lakh) divided into 1,50,000 equity shares of Rs. 10/- each to Rs. 2,50,00,000 (Two Crore Fifty lakh) divided into 25,00,000 equity shares of Rs. 10/- each.

## DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS

We have acquired the running business of Proprietorship firm M/s Clara Petrochemicals through Business Transfer Agreement dated October 29, 2021 which is engaged in the business of Flexible Packaging Industry.

The Company has acquired entire business of M/s Clara Petrochemicals vide Business Transfer Agreement dated October 29, 2021 along with all assets and liabilities. M/s Clara Petrochemicals (herein under referred as firm) was started by our Promoter Ms. Parry Kukreja in the year 2014 and engaged in business of manufacturing and trading of Flexible packaging in in state of Uttar Pradesh. The Financial Snapshot of M/s Clara Petrochemicals for last three years is as follows: -

Particulars	September 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Proprietor's Capital	65.35	50.17	32.76	31.15
Revenue from Operation	149.53	306.09	236.69	221.40
Profit after tax	5.02	20.19	6.72	6.60
Cash Accruals	0.11	5.39	9.78	2.51

Except as disclose above and in this Prospectus, there has been no acquisition of business / undertakings, mergers, amalgamation since incorporation.

## DETAILS REGARDING HOLDING / ASSOCIATE COMPANIES AND JOINT VENTURE

As on date of filing of this Prospectus, our Company does not have any Holding / Associate Company or Joint Venture.

## SUBSIDIARY COMPANIES

As on date of filing of this Prospectus, our Company does not have any subsidiary or Joint Venture Company.

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

For information on our Company's business profile, Capacity and location of Plant, see chapters titled, "*Our Business*".

## **GUARANTEES PROVIDED BY OUR PROMOTERS**

As on the date of this Prospectus, no guarantee has been issued by Promoters except as disclosed in the "*Statement of Financial Indebtedness*" on page 160 of this Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY SINCE INCORPORATION**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

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

There have been no defaults or rescheduling / restructuring of borrowings with financial institutions / banks in respect of borrowings of our Company.

## **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company. As on the date of this Prospectus, our employees are not unionized.

## **TIME AND COST OVER RUNS**

Our Company has not implemented any projects and has therefore, not experienced any time or cost overrun in setting up of projects.

## **SHAREHOLDERS' AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any Shareholders' Agreements.

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

There are no agreements entered into by key managerial personnel or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled '*Our Business*' beginning on page 82 of this Prospectus.

## **STRATEGIC PARTNERS**

As of the date of this Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As on the date of this Prospectus, apart from the various arrangements with bankers and financial institutions which our Company undertakes in the ordinary course of business, our Company does not have any other financial partners.

## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As of the date of this Prospectus, our Company has 5 (Five) Directors on the Board, 2 (Two) Executive Directors, 1 (One) Non-Executive Director and 2 (Two) Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Prospectus:

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Name:</b> Ms. Parry Kukreja</p> <p><b>Father's Name:</b> Mr. Anil Sachdeva</p> <p><b>DOB:</b> February 03, 1983</p> <p><b>Age:</b> 38 Years</p> <p><b>Qualification:</b> B. Com (Hons.) and Advanced Diploma Certificate in Web-Centric Computing</p> <p><b>Experience:</b> 13+ years</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> 4 / 911, Jaffar Nawaz, Chand Plastic Corporation, Near Subzi Mandi Pul, Saharanpur, Uttar Pradesh-247001, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06649401</p> <p><b>PAN:</b> BFFPK3370A</p> <p><b>Term:</b> Re-appointed as Managing Director with effect from September 28, 2021 to September 27, 2026.</p>	<p>Appointed as Additional Director w.e.f. September 09, 2021</p> <p>Regularised as Director w.e.f. September 28, 2021</p> <p>Change in Designation to Managing Director w.e.f. September 28, 2021</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Clara Packing Solutions Limited</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>



Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Name:</b> Mr. Nikhil Kukreja</p> <p><b>Father's Name:</b> Mr. Prem Kumar Kukreja</p> <p><b>DOB:</b> July 11, 1982</p> <p><b>Age:</b> 39 Years</p> <p><b>Qualification:</b> Senior School Certificate Examination</p> <p><b>Experience:</b> 25+ years</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> 4 / 911, Jaffar Nawaz, Chand Plastic Corporation, Near Subzi Mandi Pul, Saharanpur, Uttar Pradesh- 247001, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06649387</p> <p><b>PAN:</b> ALXPK7283K</p> <p><b>Term:</b> Re-appointed as Chief Financial Officer with effect from September 28, 2021.</p>	<p>Appointed as Additional Director w.e.f. September 09, 2021</p> <p>Regularised as Director w.e.f. September 28, 2021</p> <p>Re-appointed as Chief Financial Officer w.e.f. September 28, 2021</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Clara Packing Solutions Limited</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>
<p><b>Name:</b> Ms. Priyanka Mediratta</p> <p><b>Father's Name:</b> Mr. Prem Kukreja</p> <p><b>DOB:</b> June 01, 1980</p> <p><b>Age:</b> 41 Years</p> <p><b>Qualification:</b> B. Com (Hons) and Diploma in Fashion Designing</p> <p><b>Experience:</b> 7+ years</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> Kothi No. 9, Alka Puri, Dayal Bagh, Agra, Uttar Pradesh- 282005, India</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09303974</p>	<p>Appointed as Executive Promoter Director w.e.f. September 02, 2021</p> <p>Change in Designation to Non-Executive Director w.e.f. September 28, 2021</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Clara Packing Solutions Limited</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>PAN:</b> AKQPM3075P</p> <p><b>Term:</b> Liable to retire by rotation</p>		
<p><b>Name:</b> Mr. Manmohan Singh</p> <p><b>Father's Name:</b> Mr. Gurnam Singh</p> <p><b>DOB:</b> January 25, 1945</p> <p><b>Age:</b> 76 years</p> <p><b>Qualification:</b> B.S.C.</p> <p><b>Experience:</b> 33+ Years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 16 Bharat Vatika, Opp Transport Nagar, Dehradun Road, Saharanpur, Uttar Pradesh- 247001, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 07790507</p> <p><b>PAN:</b> ABVPS4427R</p> <p><b>Term:</b> Appointed as Independent Director with effect from September 28, 2021 to September 27, 2026</p>	<p>Appointed as Independent Director of the Company w.e.f. September 28, 2021</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Gurshyam Formulations Private Limited</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <p>Nil</p>
<p><b>Name:</b> Mr. Ajay Kumar Jain</p> <p><b>Father's Name:</b> Mr. Vijay Kumar Jain</p> <p><b>DOB:</b> June 29, 1972</p> <p><b>Age:</b> 49 years</p> <p><b>Qualification:</b> Higher Secondary Education</p> <p><b>Experience:</b> 32+ years</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 91, 686, Mufti Deena Nath, Deena Nath Bazaar, Saharanpur, Nakur, Uttar Pradesh- 247001, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 01408067</p>	<p>Appointed as Independent Director of the Company w.e.f. September 28, 2021</p>	<p><b>Indian Public Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Private Limited Companies</b></p> <ul style="list-style-type: none"> <li>• Kahan Transformer Private Limited</li> </ul> <p><b>Indian Companies Limited by Guarantee</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <p><b>Indian Limited Liability Partnerships</b></p> <ul style="list-style-type: none"> <li>• Nil</li> </ul>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<b>PAN:</b> ABSPJ1329E  <b>Term:</b> Appointed as Independent Director with effect from September 28, 2021 to September 27, 2026		

#### BRIEF PROFILE OF OUR DIRECTORS

- Ms. Parry Kukreja**, aged 38 years, is the Promoter and Managing Director of our Company. She has Honours Degree in Bachelor in Commerce and Advanced Diploma Certificate in Web-Centric Computing from NIIT in the year 2004. Prior to Business Transfer Agreement she was the sole Proprietor of Clara Petrochemicals. She is a self-driven individual who believes in teamwork. She is a dynamic leader with more than 13 years of experience in the business of Flexible packaging and its manufacturing, marketing, sales and allied services. She has expertise in forming Business Strategies and ensures timely implementation of the same. As a leader, she always delivers value to the customers and endeavour in fulfilling / exceeding their expectations.
- Mr. Nikhil Kukreja**, aged 39 years, is the Promoter, Executive Director and Chief Financial Officer of our Company. He has completed Senior School Certificate Examination from Asha Modern School, Saharanpur in the year 2000. He is an Innovative thinker with Broad Based Expertise of more than 13 years across sectors in operations, finance, project management, sales manager and business development. He has proven ability to quickly analyse key business drivers and develop strategies to grow the bottomline. He is a high integrity energetic leader known for ability to envision and create successful outcomes in complex situations.
- Ms. Priyanka Mediratta**, aged 41 years, is the Non-Executive Director of our Company. She has completed her Honours in Bachelor in Commerce and Diploma in Fashion Designing. She has more than 7 years of experience in Marketing, Sales, Brand Management, and Client Negotiation.
- Mr. Manmohan Singh** aged 76 years, is an Independent Director of our Company. He was appointed as Independent Director of our company for a period of five years with effect from September 28, 2021. He has completed his Bachelor of Science from University of Punjab in the year 1966. He has more than 33 years of experience in the field of Finance, Client dealing, Accounting and Marketing of product.
- Mr. Ajay Kumar Jain** aged 49 years, is an Independent Director of our Company. He was appointed as Independent Director of our company with effect from September 28, 2021, for a period of five years commencing from September 28, 2021 to September 27, 2026. He has completed his Secondary School Education from Asha Modern School, Saharanpur in the year 1989. He has more than 32 years of experience in the field of Financial Management of Companies, Accounting and related matters.

#### CONFIRMATIONS

- Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Sr. No.	Name of the Director	Name of the Director	Relationship
1.	Ms. Parry Kukreja	Mr. Nikhil Kukreja	Spouse
2.	Mr. Nikhil Kukreja	Ms. Priyanka Mediratta	Brother – Sister
3.	Ms. Parry Kukreja	Ms. Priyanka Mediratta	Sister – in - Law

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of Senior Management.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of this Prospectus, none of our directors are on the RBI List of wilful defaulters.

- As on the date of this Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of this Prospectus, none of our Director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of this Prospectus, none of our Director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- As on the date of this Prospectus, none of the Promoters, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

#### REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (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). Set forth below is the remuneration payable by our Company to our Directors for a financial year:

(₹ in Lakh)

Sr. No.	Name of Director	Remuneration shall not exceed
1.	Ms. Parry Kukreja	Rs. 7 Lakh p.a.
2.	Mr. Nikhil Kukreja	Rs. 7 Lakh p.a.
	<b>Total</b>	<b>Rs. 14 Lakh p.a.</b>

#### TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

##### Ms. Parry Kukreja

Ms. Parry Kukreja was appointed as Managing Director for a period of 5 (five) years commencing from September 28, 2021 to September 27, 2026. The significant terms of his employment are as below:

<b>Remuneration</b>	Rs. 7.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director for a period of 5 (five) years commencing from September 28, 2021
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company

##### Mr. Nikhil Kukreja

Mr. Nikhil Kukreja was appointed as Executive Director and for a period of 5 (five) years commencing from August 20, 2021 to August 19, 2026. The significant terms of his employment are as below:

<b>Remuneration</b>	Rs. 7.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Executive Director w.e.f. September 28, 2021
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company

## SITTING FEES

The payment of sitting fees to the Independent Directors of the Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Ms. Parry Kukreja	No Sitting fees, being Executive Director	No Sitting fees, being Executive Director
2.	Mr. Nikhil Kukreja	No Sitting fees, being Executive Director	No Sitting fees, being Executive Director
3.	Ms. Priyanka Mediratta	Rs. 2,000/- per Meeting	Rs. 2,000/- per Meeting
4.	Mr. Manmohan Singh	Rs. 2,000/- per Meeting	Rs. 2,000/- per Meeting
5.	Mr. Ajay Kumar Jain	Rs. 2,000/- per Meeting	Rs. 2,000/- per Meeting

## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on September 28, 2021, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 50.00 Crores over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

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

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Ms. Parry Kukreja	13,70,628	77.05
2.	Mr. Nikhil Kukreja	4,08,310	22.95
3.	Ms. Priyanka Mediratta	14	Negligible
4.	Mr. Manmohan Singh	NIL	NIL
5.	Mr. Ajay Kumar Jain	NIL	NIL
	<b>Total</b>	<b>17,78,952</b>	<b>100.00</b>

## INTEREST OF OUR DIRECTORS

### *Interest in promotion of our Company*

Our Directors, Ms. Parry Kukreja and Mr. Nikhil Kukreja may be deemed to be interested in the promotion of our Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them, if any. For further details, refer to chapters titled "*Our Promoters and Promoter Group*" and "*Related Party Transactions*" beginning on pages 120 and 125 of this Prospectus.

### *Interest in the property of our Company*

Except as stated in the heading titled "*Land and Properties*" under the chapter titled "*Our Business*" beginning on page 82 and chapter titled "*Related Party Transaction*" beginning on page 125 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled "*Land and Properties*" under the chapter titled "*Our Business*" beginning on page 82 of this Prospectus.

### ***Interest as Member of our Company***

As on date of this Prospectus, our Directors holds 17,78,952 Equity Shares of the Company, the percent of the pre-issue paid up Equity Share Capital of our Company is 100.00%. Therefore, our Directors are interested to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company, if any.

### ***Interest as Creditor of our Company***

As on the date of this Prospectus, except as stated in the chapter titled “***Statement of Financial Indebtedness***” and heading titled “***Related Party Transactions***” under chapter titled “***Financial Statements as Restated***”, our Company has not availed loans from Directors of our Company.

### ***Interest in the business of Our Company***

Further, save and except as stated otherwise in “***Statement of Related Parties’ Transactions***” in the chapter titled “***Financial Statements as Restated***” of this Prospectus, our Directors do not have any other interests in our Company as on the date of this Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### ***Interest as Directors of Our Company***

Our Managing Director and Executive Director may be interested to the extent of remuneration paid to them, respectively for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, please refer “***Terms and conditions of employment of our Managing Director and Executive Director***” above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

### ***Interest in transactions involving acquisition of land***

Our Directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled “***Land and Properties***” under chapter titled “***Our Business***” beginning on page 82 of this Prospectus, our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

### ***Other Interests***

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our Directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer “***Financial Statements as Restated***” beginning on page 127 of this Prospectus.

## **PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director and Executive Director for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our Directors.

## APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Except as disclosed in this Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

## BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS

None of our Directors are a party to any bonus or profit-sharing plan.

## POLICIES ADOPTED BY OUR COMPANY

Our Company has adopted the following policies:

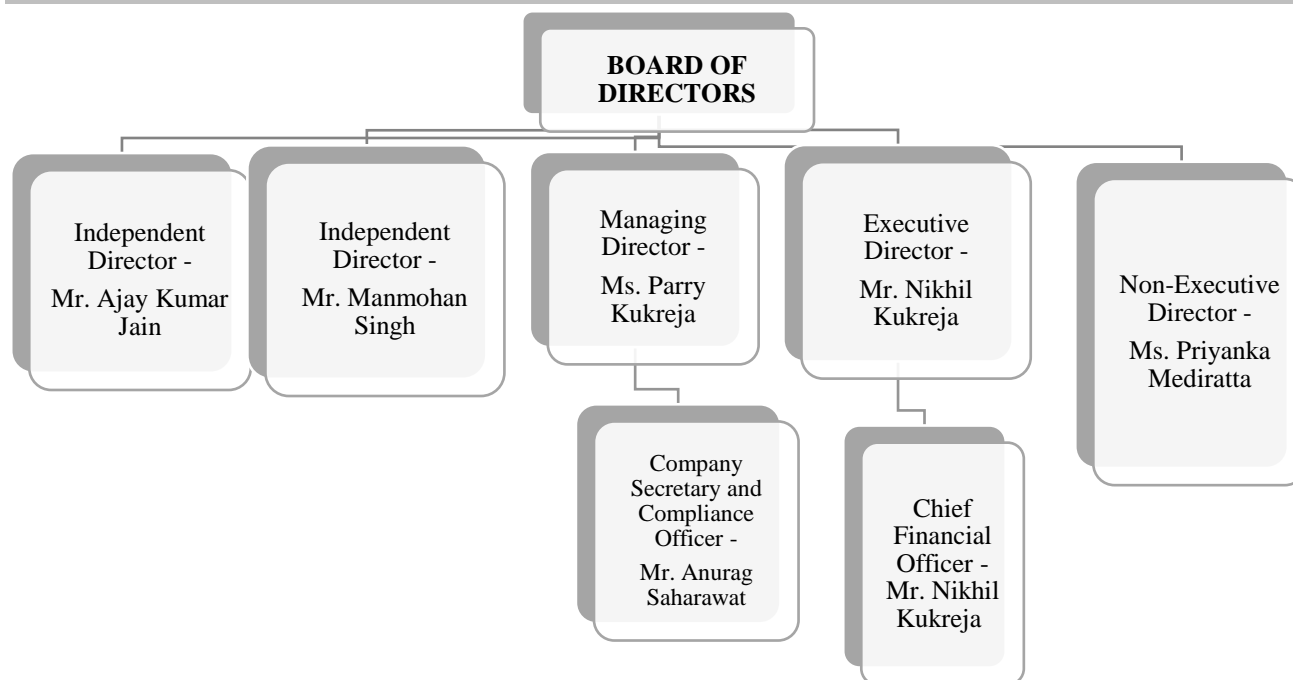
- Policy on Code of Conduct for Directors and Senior Management
- Policy of Audit Committee
- Policy of Nomination and Remuneration Committee
- Policy of Stakeholder Relationship Committee
- Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- Policy on Whistle Blower and Vigil Mechanism
- Policy on Related Party Transactions (RPT)
- Policy for Preservation of Documents and Archival of Documents
- Policy for Prevention of Sexual Harassment
- Policy on Materiality for Disclosures of events to Stock Exchanges
- Policy on Code of Independent Directors and Familiarization of Independent Director
- Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiaries, Directors, Promoters and other Group Companies
- Policy on Material Outstanding due to the Creditors

## CHANGES IN OUR BOARD DURING THE LAST THREE YEARS

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No.	Name	Date of Event	Event / Reason
1.	Ms. Isha Sachdeva	Upon Incorporation	Appointed as Additional Director
2.	Ms. Shanta Rani	Upon Incorporation	Appointed as Additional Director
3.	Ms. Priyanka Mediratta	Upon Incorporation	Appointed as Additional Director
4.	Mr. Nikhil Kukreja	September 09, 2021	Appointed as Additional Director
5.	Ms. Parry Kukreja	September 09, 2021	Appointed as Additional Director
6.	Ms. Isha Sachdeva	September 09, 2021	Cessation from Directorship due to Resignation
7.	Ms. Shanta Rani	September 09, 2021	Cessation from Directorship due to Resignation
8.	Ms. Priyanka Mediratta	September 28, 2021	Change in Designation to Non-Executive Director
9.	Mr. Nikhil Kukreja	September 28, 2021	Change in Designation to Executive Director and CFO
10.	Ms. Parry Kukreja	September 28, 2021	Change in Designation to Managing director
11.	Mr. Ajay Kumar Jain	September 28, 2021	Appointed as Independent Director
12.	Mr. Manmohan Singh	September 28, 2021	Appointed as Independent Director

## ORGANISATION STRUCTURES



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Prospectus, there are 5 (Five) Directors on our Board out of which more than one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

**The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:**

- a. Audit Committee
- b. Stakeholders' Relationship Committee
- c. Nomination and Remuneration Committee



d. Internal Complaints Committee

### **Audit Committee**

Our Company has constituted an Audit Committee ("*Audit Committee*"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on October 18, 2021.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
1.	Mr. Ajay Kumar Jain	Chairman	Independent Director
2.	Mr. Manmohan Singh	Member	Independent Director
3.	Mr. Nikhil Kukreja	Member	Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

### ***Meetings of Audit Committee and Quorum***

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### ***Powers of Audit Committee***

The Audit Committee shall have powers, including the following:

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

### ***Role of Audit Committee***

The role of the Audit Committee shall include the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
3. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
4. Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013, as amended;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications / modified opinion(s) in the draft audit report.
6. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  7. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  8. Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
  9. Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  10. Scrutinizing of inter-corporate loans and investments;
  11. Valuing of undertakings or assets of the Company, wherever it is necessary;
  12. Evaluating of internal financial controls and risk management systems;
  13. Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  14. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  15. 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;
  16. Discussing with internal auditors of any significant findings and follow up there on;
  17. 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;
  18. Discussing 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;
  19. Looking 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;
  20. Reviewing the functioning of the whistle blower mechanism;
  21. Approving the appointment of the 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; and

22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

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

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

### **Stakeholders' Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee "*Stakeholders' Relationship Committee*" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on October 18, 2021.

The Stakeholders' Relationship Committee comprises:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
1.	Mr. Ajay Kumar Jain	Chairman	Independent Director
2.	Mr. Manmohan Singh	Member	Independent Director
3.	Mr. Nikhil Kukreja	Member	Executive Director

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

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

#### ***Tenure***

The Stakeholder's 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 Stakeholder's Relationship Committee as approved by the Board.

#### ***Meetings***

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

#### ***Role of the Stakeholders' Relationship Committee***

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate / split / consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity

Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;

4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances; and
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

#### **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on October 18, 2021. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1.	Mr. Manmohan Singh	Chairman	Independent Director
2.	Mr. Ajay Kumar Jain	Member	Independent Director
3.	Ms. Priyanka Mediratta	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

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

#### ***Tenure***

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

#### ***Meetings***

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

#### ***Role of the Nomination and Remuneration Committee not limited to but includes:***

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
6. Analyzing, monitoring and reviewing various human resource and compensation matters;

7. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
11. Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.''
12. Performing such other activities as may be delegated by the Board of Directors and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

### **Internal Complaints Committee**

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated October 18, 2021. The Internal Complaints consists of the following members:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Status in Committee</b>	<b>Gender</b>
1.	Ms. Murti	Presiding Officer	Female
2.	Ms. Parry Kukreja	Member	Female
3.	Mr. Vidya Bhushan Tyagi	Member	Male
4.	Mr. Rakesh Pal Kumar	Member	Male

A complainant can approach any member of the committee with her written complaint.

#### ***Tenure***

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

#### ***Scope***

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

#### ***What Constitutes Sexual Harassment?***

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

1. A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;

2. Eve teasing, innuendos and taunts, physical confinement against one's will;
3. A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
4. An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
5. Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
6. Any other behaviour which an individual perceives as having sexual overtones.

***Redressal Mechanism:***

Once the complaint is received by the Committee:

- i. The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- ii. The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- iii. The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- iv. If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- v. The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- vi. The Committee shall call upon all witnesses mentioned by both the parties.
- vii. The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.
- viii. The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
  - a. The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.

- b. The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

#### ***Disciplinary Action:***

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”) will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

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

### **OUR KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

#### **Ms. Parry Kukreja–Managing Director**

Ms. Parry Kukreja is the Managing Director of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 102 of this Prospectus.

#### **Mr. Nikhil Kukreja - Chief Financial Officer**

Mr. Nikhil Kukreja is the Chief Financial Officer of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 102 of this Prospectus.

### Mr. Anurag Saharawat– Company Secretary & Compliance Officer

Mr. Anurag Saharawat aged 24 years is the Company Secretary and Compliance Officer of our company. He was appointed as Company Secretary and Compliance Officer of our company at the meeting of the Board of Directors with effect from September 28, 2021. He is an Associate Member of Institute of Company Secretaries of India having Membership No. 66170.

**Term of Office with expiration Date:** Appointed as Company Secretary & Compliance Officer with effect from September 28, 2021.

**Details of service contract:** Not Applicable

**Function and areas of experience:** Responsible for complying with provisions, regulations, acts applicable to the company.

### STATUS OF KEY MANAGERIAL PERSONNEL

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

### RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Except as stated below, none of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No	Name of the KMPs	Name of the KMPs	Relationship
1.	Ms. Parry Kukreja	Mr. Nikhil Kukreja	Spouse

### RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)

Except as stated below, none of the above-mentioned key managerial personnel are related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

Sr. No	Name of the KMPs	Directors	Relationship
1.	Ms. Parry Kukreja	Mr. Nikhil Kukreja	Spouse
2.	Mr. Nikhil Kukreja	Ms. Priyanka Mediratta	Brother – Sister
3.	Ms. Parry Kukreja	Ms. Priyanka Mediratta	Sister – in - Law

### SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

As on date of this Prospectus, except as stated below, our Key Managerial Personnel do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Ms. Parry Kukreja	13,70,628	77.05
2.	Mr. Nikhil Kukreja	4,08,310	22.95
3.	Mr. Anurag Saharawat	NIL	NIL
	<b>Total</b>	<b>17,78,938</b>	<b>100.00</b>

### REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the stub period ended November 18, 2021:

(₹ in Lakh)

Sr. No.	Name of KMPs	Designation	Remuneration paid
1.	Ms. Parry Kukreja *	Managing Director	Nil
2.	Mr. Nikhil Kukreja #	Chief Financial Officer	Nil
3.	Mr. Anurag Saharawat #	Company Secretary & Compliance Officer	0.15



Sr. No.	Name of KMPs	Designation	Remuneration paid
<b>Total</b>			<b>Nil</b>

\* Appointed on September 28, 2021

# Appointed on September 28, 2021

#### **BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL**

As on the date of this Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

#### **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 as on date of this Prospectus.

#### **LOANS TO KEY MANAGERIAL PERSONNEL**

There is no loan outstanding against Key Managerial Personnel as on date of this Prospectus.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company have interest in our Company 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 and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “*Financial Statements as Restated*” beginning on page 127 of this Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

#### **CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Prospectus:

Sr. No.	Name	Date of Event	Reason
1.	Ms. Parry Kukreja	September 28, 2021	Appointed as Managing Director
2.	Mr. Nikhil Kukreja	September 28, 2021	Appointed as Chief Financial Officer
3.	Mr. Anurag Saharawat	September 28, 2021	Appointed as Company Secretary & Compliance Officer

#### **EMPLOYEES STOCK OPTION SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled “*Financial Statements as Restated*” beginning on page 127 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 99 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### **OUR PROMOTERS**

The Promoters of our Company are Ms. Parry Kukreja and Mr. Nikhil Kukreja as on the date of this Prospectus, Our Promoters together holds 17,78,938 Equity Shares, representing 100% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

### **BRIEF PROFILE OF OUR INDIVIDUAL PROMOTERS**

#### **Ms. Parry Kukreja**



**Ms. Parry Kukreja**, aged 38 years, is the founding Promoter and is designated as Managing Director of our Company. She is the one of the first subscriber to the memorandum of association and was appointed on the Board of our Company as a director w.e.f. September 09, 2021. She has Honours Degree in Bachelor in Commerce. She has completed Diploma in Software Engineering from NIIT Saharanpur. She is a self-driven individual who believes in teamwork. She is a dynamic leader with more than 13 years of experience in the business of Sales and marketing. She has a focused and result oriented approach in delivering high performance even during matching tight deadlines. She has expertise in forming Business Strategies and ensures timely implementation of the same.

**Date of Birth:** February 03, 1983

**PAN:** BFFPK3370A

**Passport Number:** Z5606175

**Driving License Number:** NIL

**Aadhar Card Number:** 2835 2418 8021

**Residential Address:** 4 / 911, Jaffar Nawaz, Chand Plastic Corporation, New Subzi Mandi Pul, Saharanpur - 247001, Uttar Pradesh, India.

**Name of Bank:** HDFC Bank Limited

**Bank Account No.:** 50100174798913

**Other Interest:** Clara Packing Solutions Limited

**Mr. Nikhil Kukreja**


**Mr. Nikhil Kukreja**, aged 39 years, is the Promoter and is designated as Executive Director and Chief Financial Officer. He was appointed on the Board of our Company w.e.f. September 09, 2021 and Chief Financial Officer w.e.f. September 28, 2021. He has completed Senior School Certificate Examination from Asha Modern School, Saharanpur in the year 2000. He is an Innovative thinker with Broad Based Expertise of more than 25 years across sectors in operations, finance, project management, sales manager and business development. He has proven ability to quickly analyse key business drivers and develop strategies to grow the bottom-line. He is a high integrity energetic leader known for ability to envision and create successful outcomes in complex situations.

**Date of Birth:** July 11, 1982

**PAN:** ALXPK7283K

**Passport Number:** Z5606174

**Driving License Number:** UP11 20030050790

**Aadhar Card Number:** 3621 3537 6989

**Residential Address:** 4/911, Jaffar Nawaz, Chand Plastic Corporation Near Subzi Mandi Pul Saharanpur- 247001, Uttar Pradesh, India

**Name of Bank:** SBI Bank

**Bank Account No.:** 00000020041910296

**Other Interest:** Clara Packing Solutions Limited

For the complete profile of our Promoters - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see “**Our Management**” on page 102 of this Prospectus.

**DECLARATION**

We declare and confirm that the details of the permanent account number, passport number and bank account number of our Promoters will be submitted to the Stock Exchange where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

**INTEREST OF OUR PROMOTERS**
***Interest of Promoters***

Our Promoters does not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by him but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by him or his relatives and associates or held by the companies, firms in which he is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “**Capital Structure**”, “**Financial Statements as Restated**” and “**Our Management**” beginning on page 51, 127 and 102 of this Prospectus.

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

refer the section titled “*Related Party Transactions*” in chapter “*Financial Statements as Restated*” on page no. 127 of this Prospectus.

#### ***Interest in promotion of our Company***

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

#### ***Interest in the property, land, construction of building, supply of machinery, etc.***

Except as mentioned in the chapter titled ‘*Our Business*’ beginning on page 82 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 (three) years before filing of this Prospectus or in any transaction by our Company for 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.

#### ***Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years***

Except as stated above in “*Our Management*” and “*Financial Statements as Restated*” beginning on pages 102 and 127 respectively of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

### **MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “*Financial Statements as Restated*” beginning on page 127 of this Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

### **LITIGATION INVOLVING OUR PROMOTERS**

For details relating to legal proceedings involving the Promoters, please refer “*Outstanding Litigation and Material Developments*” beginning on page 161 of this Prospectus.

### **COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS**

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

Sr. No.	Name of Promoter	Name of Entity	Reason for Disassociation	Date of Disassociation
1	Ms. Parry Kukreja	M/s Clara Petrochemicals	Sale of Business	October 30, 2021
2	Mr. Nikhil Kukreja	NIL	N.A.	N.A.

### **OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

#### **A. Natural Persons who form part of our Promoter Group:**

<b>Details of Individual Promoters</b>				
<b>A</b>	<b>Natural Person</b>			
	<b>Promoter</b>	<b>Mr. Nikhil Kukreja</b>	<b>Ms. Parry Kukreja</b>	
	<b>Relation with Promoter</b>			
	Father	Mr. Prem Kumar Kukreja	Late Mr. Anil Sachdeva	
	Mother	Mrs. Arunesh Kukreja	Mrs. Shanta Sachdeva	
	Spouse	Ms. Parry Kukreja	Mr. Nikhil Kukreja	
	Brother(s)	Mr. Rohit Kukreja	Mr. Nitesh Sachdeva	
	Sister(s)	Mrs. Priyanka Mediratta	N.A.	
	Son(s)	N.A.	N.A.	

	Daughter(s)	Ms. Noor Kukreja-Minor	Ms. Noor Kukreja-Minor
	Spouse's Father	Late Mr. Anil Sachdeva	Mr. Prem Kumar Kukreja
	Spouse's Mother	Mrs. Shanta Sachdeva	Mrs. Arunesh Kukreja
	Spouse's Brother(s)	Mr. Nitesh Sachdeva	Mr. Rohit Kukreja
	Spouse's Sister(s)	N.A.	Mrs. Priyanka Mediratta

**A. Individuals forming part of the Promoter Group:**

- Pankaj Pal
- Rakesh Pal Kumar
- Isha Sachdeva

**B. Entities forming part of the Promoter Group:**

**Private Limited Company**

- Clara Petrochemicals Private Limited
- Kukreja Polycot Private Limited

**Public Limited Company**

- Clara Packing Solutions Limited

**Proprietorship Firm**

- Chand Plastic Corporation

### **OUR GROUP ENTITIES**

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of “Group Companies”, our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountants of India and such other companies as considered material by our Board. There are no other companies, which are considered material by board, which required disclosure under SEBI (ICDR) Regulations.

Based on the above, there is no Group Company of our Company.



### **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to section titled “*Financial Statements as Restated*” beginning on page 127 of this Prospectus.

### **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years. Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose name appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity shareholders who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.



**SECTION IX: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

**Independent Auditor's Report for the Restated Financial Statements of  
CLARA INDUSTRIES LIMITED**

**Auditor's Report on the Restated Financial Statement of Assets and Liabilities as at 18<sup>th</sup> November, 2021, Restated Profit and Loss and Cash Flows for the period from 02<sup>nd</sup> September, 2021 to 18<sup>th</sup> November, 2021 of CLARA INDUSTRIES LIMITED (collectively, the "Restated Summary Statements")**

To  
The Board of Directors,  
CLARA INDUSTRIES LIMITED  
127/1 Gram Simbhalka Junardar Paragna,  
Teshil and District Saharanpur  
UP 247001 IN

Dear Sir,

1. We have examined the attached Restated Statements of Assets and Liabilities of **CLARA INDUSTRIES LIMITED** (the "Company") along with significant accounting policies and related notes as at and for the period ended on 18<sup>th</sup> November, 2021, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the "**Restated Summary Statements**" or "**Restated Financial Statements**"). These Restated Standalone Summary Statements have been prepared by the company and approved by the Board of Directors of the company in connection with the Initial its proposed Initial Public Offering ("IPO") on the SME Platform of BSE Limited.
2. These Restated Standalone Summary Statements have been prepared in accordance with the requirements of:
  - i. Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - ii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments/ clarifications from time to time;
  - iii. In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts of CLARA INDUSTRIES LIMITED, we, Gupta Agarwal & Associates, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.
  - iv. The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus / Prospectus being issued by the Company for its proposed IPO of equity shares on SME Platform of BSE Limited ("BSE"); and
  - v. The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period ended on 18<sup>th</sup> November, 2021.
4. We have examined the accompanied 'Restated Statement of Profit and Loss' (Annexure – II) for the period ended on 18<sup>th</sup> November, 2021, and the 'Restated Statement of Assets and Liabilities' (Annexure – I) as on those date, forming Part of the 'Financial Information' dealt with by this Report, detailed below. Both read together with the Significant Accounting Policies (Annexure – IV) thereon, which are the responsibility of the Company's management. The information has been extracted from the financial statements for the financial period ended on 18<sup>th</sup> November, 2021 audited by us, being the Statutory Auditors of the Company, which are all approved by the Board of Directors as on that date and upon which we have placed our reliance while reporting.

Based on our examination, we further report that:

- a) The Restated Statement of Assets and Liabilities of the Company for the period ended on November 18, 2021, examined by us, as set out in Annexure I to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - b) The Restated Statement of Profit and Loss of the Company for the period ended on November 18, 2021, examined by us, as set out in Annexure II to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - c) The Restated Statement of Cash Flows of the Company for the period ended on November 18, 2021, examined by us, as set out in Annexure III to this examination report are after making adjustments and regrouping as in our opinion were appropriate and more fully described in the statement of significant accounting policies in Annexure IV.
  - d) The Restated Financial Statements have been made after incorporating adjustments for:
    - i. The changes, if any, in accounting policies retrospectively in respective financial period to reflect the same accounting treatment as per the changed accounting policy for all the reporting period.
    - ii. Prior period and other material amount in the respective financial period to which they relate.
  - e) There were no qualifications in the Audit Reports issued by Statutory Auditor (s) for the period ended on November 18, 2021, which would require adjustments in this Restated Financial Statements of the Company.
5. We have also examined the following Financial Information relating to the Company, which is based on the Restated Financial Statements and approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer Document: We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:
- Statement of Share Capital, as restated (Annexure - V)
  - Statement of Reserves & Surplus, as restated (Annexure - VI)
  - Statement of Short-Term Borrowings, as restated (Annexure- VII)
  - Statement of Trade Payables, as restated (Annexure- VIII)
  - Statement of Other Current Liabilities, as restated (Annexure- IX)
  - Statement of Short-Term Provision, as restated (Annexure- X)
  - Statement of Fixed Assets, as restated (Annexure- XI)
  - Statement of Deferred Tax Assets (Net), as restated (Annexure- XII)
  - Statement of Inventories, as restated (Annexure – XIII)
  - Statement of Trade Receivables, as restated (Annexure - XIV)
  - Statement of Cash and Cash Equivalents, as restated (Annexure - XV)
  - Statement of Short-Term Loans and Advances, as restated (Annexure – XVI)
  - Statement of Other Current Assets, as restated (Annexure - XVII)
  - Statement of Revenue from Operations, as restated (Annexure – XVIII)
  - Statement of Other Income, as restated (Annexure – XIX)
  - Statement of Cost of Operation, as restated (Annexure – XX)
  - Statement of Changes in Inventories of Finished Goods, as restated (Annexure – XXI)
  - Statement of Employee Benefit Expenses, as restated (Annexure – XXII)
  - Statement of Finance Cost, as restated (Annexure – XXIII)
  - Statement of Depreciation and Amortization Expense, as restated (Annexure – XXIV)
  - Statement of Other Expense, as restated (Annexure – XXV)
  - Statement of Related Party Transactions, as restated (Annexure – XXVI)
  - Statement of Capitalisation, as restated (Annexure – XXVII)
  - Statement of Tax Shelter, as restated (Annexure – XXVIII)
  - Statement of Other Financial Information, as restated (Annexure – XXIX)
  - Statement of Reconciliation of Restated profit after tax, as restated (Annexure – XXX)
  - Statement of Reconciliation of Restated Equity/Net Worth, as restated (Annexure – XXXI)

- Statement of Contingent Liabilities, as restated (Annexure – XXXII)
6. In our opinion, the Restated Financial Statements and the other Financial Information set forth in Annexure I to XXXII read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with section 26 of Companies Act, 2013 and the SEBI Regulations and the Guidance Note on the reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (ICAI).
  7. Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As a result of these regrouping and adjustments, the amount reported in the financial information may not necessarily be the same as those appearing in the respective audited standalone financial statements for the relevant period.
  8. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the standalone financial statement referred to therein.
  9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
  10. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Gupta Agarwal & Associates**  
**Chartered Accountants**  
**Firm's Registration No. 329001E**

**Sd/-**  
**Jay Shanker Gupta**  
**Partner**  
**Membership No. 059535**  
**UDIN: 21059535AAAAJO5272**

**Date: 24-11-2021**  
**Place: Kolkata**

<b>CLARA INDUSTRIES LIMITED</b>	
<b>CIN: U25209UP2021PLC151537</b>	
<b>ANNEXURE - I</b>	
<b>RESTATED SUMMARY STATEMENT OF ASSET AND LIABILITIES</b>	<b>(Rs. In Lacs)</b>
<b>Particulars</b>	<b>As at November 18, 2021</b>
<b>I. EQUITY AND LIABILITIES</b>	
<b>Shareholders' Funds</b>	
Share Capital	25.41
Reserve And Surplus (excluding Revaluation Reserves, if any)	163.17
<b>Non-Current Liabilities</b>	
Long-term Borrowings	18.60
<b>Current Liabilities</b>	
Short-term Borrowings	66.41
Trade Payables	73.59
Other Current Liabilities	109.59
Short-term Provisions	10.55
<b>Total</b>	<b>467.32</b>
<b>II. Asset</b>	
<b>Non- Current Asset</b>	
Property, Plant and Equipment	
(i) Tangible Asset	21.71
(ii) Capital Work-In-Progress	-
Deferred tax Asset (Net)	0.36
<b>Current Asset</b>	
Inventories	265.37
Trade Receivables	101.98
Cash and Cash Equivalents	0.84
Short-term Loan and Advances	34.50
Other Current Asset	42.56
<b>Total</b>	<b>467.32</b>
<i>Note: - The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.</i>	

*As per our report attached of even date  
For Gupta Agarwal & Associates  
Chartered Accountants  
FRN: 329001E*

*Sd/-  
Jay Shanker Gupta  
(Partner)  
Mem No: 059535  
UDIN: 21059535AAAAJO5272  
Date: 24th November, 2021  
Place: Kolkata*

*Sd/-  
PARRY KUKREJA  
MANAGING DIRECTOR  
DIN: 06649401*

*Sd/-  
NIKHIL KUKREJA  
DIRECTOR & CFO  
DIN: 06649387*

*Sd/-  
ANURAG SAHARAWAT  
COMPANY  
SECRETARY*

<b>CLARA INDUSTRIES LIMITED</b>	
<b>CIN: U25209UP2021PLC151537</b>	
<b>ANNEXURE - II</b>	
<b>RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS</b>	<b>(Rs. In Lacs)</b>
<b>Particulars</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Revenue from Operations	62.74
Other Income	-
<b>Total Revenue</b>	<b>62.74</b>
<b>Expenses:</b>	
Cost of Operation	59.42
Changes in inventories of finished goods	(42.58)
Employee Benefits Expenses	0.15
Finance Costs	1.61
Depreciation and Amortization Expense	0.21
Other Expenses	3.27
<b>Total Expenses</b>	<b>22.07</b>
Profit before exceptional and extraordinary items and tax (A-B)	<b>40.67</b>
Exceptional/Prior Period items	-
<b>Profit before extraordinary items and tax</b>	<b>40.67</b>
Extraordinary items	-
<b>Profit Before Tax</b>	<b>40.67</b>
Provision for Tax	
- Current Tax	10.55
- Deferred Tax Liability / (Asset)	(0.36)
<b>Restated profit after tax for the period from continuing operations</b>	<b>30.48</b>
Profit/(Loss) from Discontinuing operations	-
Tax expenses of discontinuing operations	-
<b>Restated profit for the period</b>	<b>30.48</b>

**Note:** - The above statement should be read with the significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

*As per our report attached of even date*

*For Gupta Agarwal & Associates*

*Chartered Accountants*

*FRN: 329001E*

*Sd/-*

*Jay Shanker Gupta*

*(Partner)*

*Mem No: 059535*

*UDIN: 21059535AAAJO5272*

*Date: 24th November, 2021*

*Place: Kolkata*

*Sd/-*

*PARRY KUKREJA*

*MANAGING DIRECTOR*

*DIN: 06649401*

*Sd/-*

*NIKHIL KUKREJA*

*DIRECTOR & CFO*

*DIN: 06649387*

*Sd/-*

*ANURAG SAHARAWAT*

*COMPANY SECRETARY*

CLARA INDUSTRIES LIMITED	
CIN: U25209UP2021PLC151537	
ANNEXURE -III	
RESTATED SUMMARY STATEMENT OF CASH FLOW	
CLARA INDUSTRIES LIMITED	(Rs. In Lacs)
Particulars	For the period from 02.09.2021 to 18.11.2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	
Net Profit before tax	40.67
<b>Adjustment for:</b>	
Add Depreciation	0.21
Add Interest Expenses	1.61
<b>Operating profit before working capital changes</b>	<b>42.48</b>
<b>Adjustment for:</b>	
(Increase)/Decrease in Trade Receivable	(101.98)
(Increase)/Decrease in Inventories	(265.37)
(Increase)/Decrease in Short-term Loan and Advances	(34.50)
(Increase)/Decrease in Other Current Asset	(42.56)
Increase/(Decrease) in Trade Payables	73.59
Increase/(Decrease) in Provisions	-
Increase/(Decrease) in Other Current Liabilities	109.59
<b>Net Adjustments</b>	<b>(261.23)</b>
Cash generated from / (used in) operations	(218.75)
Income Tax Paid (Net)	-
<b>Net cash generated from/ (used in) Operating Activities - (A)</b>	<b>(218.75)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	
Purchase of tangible fixed assets	(21.91)
Purchase of Capital WIP	-
<b>Net cash generated from/ (used in) Investing Activities - (B)</b>	<b>(21.91)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	
Proceeds from Issue of Share Capital	158.11
Long term Borrowings	18.60
Increase/(Decrease) in Short-term Borrowings	66.41
Finance cost	(1.61)
<b>Net cash generated from/ (used in) Financing Activities - (C)</b>	<b>241.50</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	<b>0.84</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>0.84</b>
<i>Note:-</i>	
<b>1. Components of cash and cash equivalents:</b>	
<b>Particulars</b>	<b>As on 18.11.2021</b>
Cash on hands	0.72
Balances with Banks	
-In current accounts	0.12
<b>Total Cash and Cash Equivalents</b>	<b>0.84</b>
1. The Cash Flow Statements has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).	
2. Figures in Brackets represents outflow.	

3. The above statement should be read with significant accounting policies (Annexure IV) and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing I, II and III.

*As per our report attached of even date  
For Gupta Agarwal & Associates  
Chartered Accountants  
FRN: 329001E*

*Sd/-  
Jay Shanker Gupta  
(Partner)  
Mem No: 059535  
UDIN: 21059535AAAAJO5272  
Date: 24th November, 2021  
Place: Kolkata*

*Sd/-  
PARRY KUKREJA  
MANAGING DIRECTOR  
DIN: 06649401*

*Sd/-  
NIKHIL KUKREJA  
DIRECTOR & CFO  
DIN: 06649387*

*Sd/-  
ANURAG SAHARAWAT  
COMPANY SECRETARY*

## Significant Accounting Policies and Notes to Accounts

### Corporate Information:

The Company is incorporated on September 02, 2021 vide Certificate of Incorporation bearing Registration Number 151537 issued by the Registrar of Companies, Kanpur with the name & style of CLARA INDUSTRIES LIMITED. The Company is engaged in the business of provide manufacturing of LDPE, HDPE, PP, BOPP, ADHESIVE TAPES and its related products & activities also to carry on the business of Manufacturers and traders of Plastic bags, Industrial packaging SELF ADHESIVE TAPES.

### Basis of Preparation:

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies have been consistently applied except where specifically stated in financial statement and notes to accounts of the non-conformity with the relevant Accounting Standard.

### (IV) Significant Accounting Policies:

#### (a) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the Carrying amounts of Assets or Liabilities in future periods.

#### (b) Property, Plant and equipment:

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

Depreciation is provided on Written Down value basis based on life assigned to each asset in accordance with Schedule II of the Act or as per life estimated by the Management.

An asset is treated as impaired asset when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the profit & loss account is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been changed in the estimate of recoverable amount.

#### (c) Revenue Recognition:

Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. Revenue from sale of goods or services are recognized on delivery of the products or services, when all significant contractual obligations have been satisfied, the property in the goods is transferred for price, significant risk and rewards of ownership are transferred to the customers and no effective ownership is retained.

In the financial statement, revenue from operation does not include Indirect taxes like sales tax and/or Goods & service tax.

#### (d) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises price and directly attributable acquisition charges such as brokerage, fees and duties.



Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of Investments.

On disposal of investment, the difference between its carrying amount and net disposal proceeds are charged or credited to the statement of profit and loss.

**(e) Inventories:**

Inventory of W-I-P and Raw materials are valued at lower of cost and net realizable value. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

There is no stock of finished goods lying with the company.

**(f) Employee Benefits:**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

**(g) Taxation:**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the Tax Authorities in accordance with the Income Tax Act'1961 enacted or substantively enacted at the reporting date.

Deferred Tax Assets or Deferred Tax Liability is recognized on timing difference being the difference between taxable incomes and accounting income. Deferred Tax Assets or Deferred Tax Liability is measured using the tax rates and tax laws that have been enacted or substantively enacted at the Balance Sheet date. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(h) Borrowing Cost:**

Borrowing Cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(i) Segment Reporting:**

The Company is engaged in business of provide manufacturing of LDPE, HDPE, PP, BOPP, ADHESIVE TAPES. Considering the nature of Business and Financial Reporting of the Company, the Company is operating in only one Segment. Hence segment reporting is not applicable.

**(j) Provisions and Contingent Liabilities:**

A provision is recognized when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

**(k) Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**(I) Current Assets, Loans & Advances:**

In the opinion of the Board and to the best of its knowledge and belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and repayable on demand.

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

**For Gupta Agarwal & Associates**  
Chartered Accountants  
**Firm's Registration No: 329001E**

**For CLARA INDUSTRIES LIMITED**

Sd/-  
**Jay Shanker Gupta**  
Partner  
Membership No: 059535  
Date: 24<sup>th</sup> November, 2021  
Place: Kolkata

Sd/-  
**Parry Kukreja**  
**Managing director**  
DIN: 06649401

Sd/-  
**Nikhil Kukreja**  
**Director & CFO**  
DIN: 06649387

Date: 23<sup>rd</sup> Nov., 2021  
Place: Saharanpur

<b>CLARA INDUSTRIES LIMITED</b>	
<b>CIN: U25209UP2021PLC151537</b>	
<b>ANNEXURE - V</b>	
<b>DETAILS OF SHARE CAPITAL, AS RESTATED</b>	
<b>1. Statement of Share Capital</b>	<b>(Rs. In lakh)</b>
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
<b>Authorised</b> 25,00,000 Equity shares of Rs. 10 each	250.00
<b>Issued, Subscribed and Fully Paid-up Capital</b> 254,140 Equity shares of Rs. 10 each	25.41
<b>Total</b>	<b>25.411</b>

**Notes:-**

The Authorised Share Capital of the company was increased from 1,50,000 Equity Shares of Rs.10/- each to 25,00,000 Equity Shares of Rs. 10/- each vide resolution passed in AGM dated 25th October, 2021.

The company is Incorporated on 2nd of September, 2021 with a initial capital of 50000 equity shares of Rs. 10 each.

Further the company has made a preferential allotment against BTA executed between M/s. Clara Petrochemicals (Prop: Parry Kukreja) and the Company of 87140 shares of Rs. 10 each at a premium of Rs. 65 each, the shares were allotted on 10th November, 2021 vide EGM dated 29th October, 2021.

The Company has allotted further preferential allotment of 117000 equity shares of Rs. 10 each at a premium of Rs. 65 each on 17th November, 2021 vide EGM dated 16th November, 2021.

**Terms/rights attached to equity shares:-**

A. The company was having only one class of Equity Shares with par value of Rs. 10.00 per share. Each holder of Equity shares was entitled to one Vote per share.

B. In the Liquidation of the company, the holders of Equity Shares shall be entitled to receive any of the remaining assets of the Company. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**2. Reconciliation of Shares outstanding at the beginning and at the end of the Period**

PARTICULARS	As at November 18, 2021
<b>Outstanding at the beginning of the period</b>	50,000.00
Issued during the year against BTA	87,140.00
Issued during the year- Preferential allotment	1,17,000.00
<b>Outstanding at the end of the Period</b>	<b>2,54,140.00</b>

**3. For the period of three years immediately preceding the date as at which the Balance Sheet is prepared:**

PARTICULARS	As at November 18, 2021
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash.	87,140.00
Aggregate number and class of shares allotted as fully paid up by way of bonus shares.	-
Aggregate number and class of shares bought back.	-

**4. Details of Shareholders holding more than 5% shares in the company (In terms of No. of Shares Holding):**

Particulars	As at November 18, 2021
Name of Share Holder	No of Shares
NIKHIL KUKREJA	1,18,330
PARRY KUKREJA	1,35,804
<b>Total</b>	<b>2,54,134</b>

**5. Details of Shareholders holding more than 5% shares in the company (In terms of % Holding)**

Particulars	As at November 18, 2021
Name of Share Holder	% Holding
NIKHIL KUKREJA	46.56%
PARRY KUKREJA	53.44%
<b>Total</b>	<b>100.00%</b>

**ANNEXURE -VI**
**STATEMENT OF RESERVES AND SURPLUS, AS RESTATED**

Particulars	As at November 18, 2021
<b>Reserves and Surplus</b>	
<b>A) Surplus in Profit and Loss account</b>	
Opening Balance	-
Add: Restated profit/(Loss) for the year	30.48
Less: Issue of Bonus Shares	-
Less: IPO Expenses	-
<b>Total (A)</b>	<b>30.48</b>
<b>B) Securities premium account</b>	
Opening Balance	-
Add - Premium Received	132.69
Less: IPO Expenses	-
<b>Total (B)</b>	<b>132.69</b>
<b>Total (A+B)</b>	<b>163.17</b>

**Notes:-**

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexure I, II and III.

**ANNEXURE- VII**
**STATEMENT OF LONG TERM BORROWINGS, AS RESTATED**

Particulars	As at November 18, 2021
<b>Secured:</b>	
Term Loans From Banks	-
Less : Amount disclosed under the head "Other current liabilities" (Refer ANNEXURE- X)	-
<b>Unsecured:</b>	
Loan From parties:	
Anil Kumar Agarwal	9.00
Hare Krishna Filing Station	9.60

<b>Total</b>	<b>18.60</b>
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*Notes:- Balances of Unsecured loans are subjected to ledger confirmations*

<b>ANNEXURE- VII</b>	
<b>STATEMENT OF SHORT TERM BORROWINGS, AS RESTATED</b>	
Particulars	As at November 18, 2021
<b>Secured:</b>	
Overdraft facility from PNB Bank	55.69
Covid Loan from PNB	10.20
<b>Unsecured:</b>	
Loans Repayable on Demand	
From Banks	-
From Directors – Parry Kukreja	0.52
<b>Total</b>	<b>66.41</b>

*Notes:-*

1. Overdraft facility Availed From Punjab National Bank Sanctioned Amount Of Rs. 58,65,000/- at the ROI of 10.30%, Secured With collateral as property of Parry Kukreja at Vill- Simbhalka, Saharanpur, UP- 247001 and guarantee of M/s. Chand Plastic Corporation.

<b>ANNEXURE-VIII</b>	
<b>STATEMENT OF TRADE PAYABLES</b>	
Particulars	As at November 18, 2021
<b>Total Outstanding:</b>	
From Micro, Small and Medium Enterprises	37.78
From Other Than Micro, Small and Medium Enterprises	35.82
<b>Total</b>	<b>73.59</b>

*Notes:-*

1. Trade payables has been taken as certified by the management of the company, balances are subjected to ledge confirmations

2. Segregation of trade payables as due to MSME and Other than MSME are certified by management.

<b>ANNEXURE- IX</b>	
<b>STATEMENT OF OTHER CURRENT LIABILITIES, AS RESTATED</b>	
Particulars	As at November 18, 2021
<b>Other Payables</b>	
Salary Payable	0.15
TDS Payable	0.11
Audit fees payable	0.60
Electricity payable	0.74
Labour payment	0.00
Advance from Debtors	107.99
Expenses Payable	-
<b>Total</b>	<b>109.59</b>

<b>ANNEXURE- X</b>	
<b>STATEMENT OF SHORT TERM PROVISIONS, AS RESTATED</b>	
<b>Particulars</b>	<b>As at November 18, 2021</b>
<b>Short- Term Provisions</b>	
Provision for Income Tax (Net of Advance Tax and TDS)	10.55
<b>Total</b>	<b>10.55</b>

<b>ANNEXURE -XI</b>	
<b>STATEMENT OF PROPERTY, PLANT &amp; EQUIPMENT</b>	
<b>Particulars</b>	<b>As at November 18, 2021</b>
<b>Tangible Assets - Gross Block</b>	
<b>Opening</b>	
Machinery	-
<b>Total Gross Block</b>	<b>-</b>
<b>Add :- Additions</b>	
Machinery	21.91
<b>Total Addition</b>	<b>21.91</b>
<b>Less:- Deductions</b>	
Machinery	-
<b>Total Deductions</b>	<b>-</b>
<b>Closing</b>	
Machinery	21.91
<b>Total Gross Block</b>	<b>-</b>
<b>Opening Depreciation</b>	
Machinery	-
<b>Total</b>	<b>-</b>
<b>Add :- Additions in Depreciation</b>	
Machinery	0.21
<b>Total Addition</b>	<b>0.21</b>
<b>Less:- Deductions in Depreciation</b>	
Machinery	-
<b>Total Deductions</b>	<b>-</b>
<b>Closing Depreciation</b>	
Machinery	0.21
<b>Total</b>	<b>0.21</b>
<b>Net Block</b>	
Machinery	21.71
<b>Total</b>	<b>21.71</b>
Tangible Assets	21.71
Capital Work-in- Progress	-
<b>Total</b>	<b>21.71</b>

<b>ANNEXURE-XII</b>	
<b>STATEMENT OF DEFERRED TAX (ASSETS/LIABILITIES)</b>	
<b>Particulars</b>	<b>As at November 18, 2021</b>
Depreciation as per Companies Act	0.21
Depreciation as per Income Tax Act	1.64
Difference in Depreciation	(1.44)
Gratuity Provision	-
Total Timing Difference	(1.44)
Tax Rate as per Income Tax (DTA) / DTL	0.2517 (0.36)
<b>Net deferred tax liability</b>	<b>(0.36)</b>

<b>DEFERRED TAX ASSETS and LIABILITIES SUMMARY</b>	
<b>Particulars</b>	<b>As at November 18, 2021</b>
Opening Balance of (DTA) / DTL	-
Add: Provision for the Year	(0.36)
<b>Closing Balance of (DTA) / DTL</b>	<b>(0.36)</b>

<b>ANNEXURE -XIII</b>	
<b>STATEMENT OF INVENTORIES</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
Semi-Finished Goods (Valued at lower of Cost or NRV unless otherwise stated)	109.45
Raw Material (Valued at Cost unless otherwise stated)	155.92
<b>Total</b>	<b>265.37</b>

**Notes:-**

- Value of inventories has been valued & certified by Management of the company.

<b>ANNEXURE -XIV</b>	
<b>STATEMENT OF TRADE RECEIVABLES</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
<b>Unsecured, Considered good outstanding for a period less than six months</b>	
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-
Others	101.98
<b>Unsecured, Considered good outstanding for a period more than six months</b>	
From Directors/Promoters/ Promoter Group/ Associates/ Relatives of Directors / Group Companies.	-
Others	-
<b>Total</b>	<b>101.98</b>

**Notes:-**

- Trade Receivables has been taken as certified by the management of the company. Balances of Trade Receivables are subjected to balance confirmations

2. As per the view of the management of the company there is no doubtful debt and hence provision for doubtful debts have not been made

<b>ANNEXURE -XV</b>	
<b>STATEMENT OF CASH &amp; CASH EQUIVALENTS</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
<b>Cash in Hand (As Certified by Management)</b>	0.72
<b>Balances with Banks</b>	
-In Current Accounts	
Andhra Bank	0.01
Punjab National Bank	0.01
Punjab National Bank New	0.00
Union Bank	0.10
<b>Total</b>	<b>0.84</b>

<b>ANNEXURE -XVI</b>	
<b>STATEMENT OF SHORT TERM LOANS AND ADVANCES, AS RESTATED</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
<b>Loans &amp; Advances</b>	
<b>Other Advances</b>	
-to Related Parties	-
-to Others	34.50
<b>Balances with Government Authorities</b>	-
<b>Total</b>	<b>34.50</b>

<b>ANNEXURE -XVII</b>	
<b>STATEMENT OF OTHER CURRENT ASSETS</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
Advance related to IPO	2.10
Advance given to supplier	31.44
GST Receivable	9.02
<b>Total</b>	<b>42.56</b>

<b>ANNEXURE -XVIII</b>	
<b>STATEMENT OF REVENUE FROM OPERATIONS</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
<b>Turnover from Sale of Product (Net of Taxes)</b>	
Manufactured Products:	-
Packing Products	23.53
Plastic Mats	7.19
Plastic Bangles	32.02
<b>Other Operating Income</b>	
Interest	
Misc. Income	-
<b>Turnover in respect of Products not Normally dealt (*)</b>	-
<b>Total</b>	<b>62.74</b>

Note:-



1. Sale of manufactured products are accounted excluding sales tax / VAT/GST and other taxes and duties.

<b>ANNEXURE XIX</b>	
<b>STATEMENT OF OTHER INCOME</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
<b>Related and Recurring Income:</b>	
<b>Related and Non-Recurring Income:</b>	
<b>Total</b>	-
PBT	40.67
Other Income as % of PBT	-

<b>ANNEXURE XX</b>	
<b>STATEMENT OF COST OF RAW MATERIAL CONSUMED</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Opening Stock Of Raw Materials	-
Purchases	74.09
Purchases through BTA	138.92
Add :- Direct Expenses	
Power	0.74
Freight	0.03
Labour Charges	1.57
Less :-	
Closing Stock Of Raw Materials	155.92
<b>Total</b>	<b>59.42</b>

<b>ANNEXURE XXI</b>	
<b>STATEMENT OF CHANGES IN INVENTORIES</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Opening Stock Of Semi-finished goods	-
Semi-finished goods acquired through BTA	66.87
Closing Stock Of Semi-finished goods	109.45
<b>Changes In Inventories Of Finished Goods</b>	<b>(42.58)</b>

<b>ANNEXURE XXII</b>	
<b>STATEMENT OF EMPLOYEE BENEFIT EXPENSES</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Directors Remuneration	-
Salaries , Wages & Bonus	0.15
Staff Welfare Expenses	-
<b>Total</b>	<b>0.15</b>

<b>ANNEXURE XXIII</b>	
<b>STATEMENT OF FINANCE COSTS</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Interest on Bank Loans	1.60
Bank Charges	0.01
<b>Total</b>	<b>1.61</b>

<b>ANNEXURE XXIV</b>	
<b>STATEMENT OF DEPRECIATION AND AMORTISATION EXPENSES</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Depreciation	0.21
Miscellaneous Expenditure W/off	-
<b>Total</b>	<b>0.21</b>

<b>ANNEXURE XXV</b>	
<b>STATEMENT OF OTHER EXPENSES</b>	
<b>PARTICULARS</b>	<b>For the period from 02.09.2021 to 18.11.2021</b>
Audit Fees	0.50
Membership fees	0.03
Legal & professional fees	0.03
General Expenses	0.01
Preliminary Expenses W/off	0.02
ROC Filing Fees	2.68
<b>Total</b>	<b>3.27</b>

<b>ANNEXURE XXVI</b>	
<b>STATEMENT OF RELATED PARTIES TRANSACTIONS</b>	
<b>PARTICULARS</b>	<b>For the period ending on 18.11.2021</b>
<b>REVENUE ITEMS</b>	
Sales made during the year	19.03
<b>NON REVENUE ITEMS</b>	
Equity shares issued against BTA executed	65.36
Loan availed	19.65
Loan paid/repaid	74.12
<b>Total</b>	<b>178.16</b>

**Year Wise RPT transactions bifurcated amongst name of related parties**

<b>PARTICULARS</b>	<b>For the period ending on 18.11.2021</b>
<b>Parry Kukreja - Director</b>	
<b>Opening Balance</b>	-
Net Asset acquired through BTA	65.36
Equity shares issued against BTA executed	65.36

Loan availed	3.15
Loan Repaid	2.64
<b>Closing Balance</b>	<b>0.51</b>
<b>Mrs. Shanta Rani - Relative of director</b>	
<b>Opening Balance</b>	-
Loan Taken pursuant to BTA	4.50
Loan Given	-
<b>Closing Balance</b>	<b>4.50</b>
<b>M/s. Chand Plastic Corporation (Prop. Nikhil Kukreja) - Enterprise where control exist</b>	
<b>Opening Balance</b>	-
Sales made during the year	19.03
Loan Taken pursuant to BTA	12.00
Advance from customer pursuant to BTA	41.47
Amount repaid	53.47
Advance paid	18.01
<b>Closing Balance</b>	<b>22.93</b>

<b>ANNEXURE XXVII</b>		
<b>STATEMENT OF CAPITALISATION</b>		
<b>PARTICULARS</b>	<b>Pre-Offer 18.11.2021</b>	<b>Post-Offer 18.11.2021</b>
<b>Debt</b>		
- Current Borrowings	66.41	66.41
- Non-Current Borrowings (Including Current Maturities)	18.60	18.60
<b>Total Debt</b>	<b>85.01</b>	<b>85.01</b>
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	25.41	248.10
- Reserves & Surplus	163.17	204.95
- Less: Miscellaneous Expenses not W/off	-	-
<b>Total Shareholders' Fund (Equity)</b>	<b>188.58</b>	<b>453.05</b>
<b>Long Term Debt / Equity (In Ratio)</b>	<b>0.10</b>	<b>0.04</b>
<b>Total Debt / Equity (In Ratio)</b>	<b>0.45</b>	<b>0.19</b>

**Notes:-**

1. Apart from Share Capital and Share Premium under Reserves and Surplus, other figures are considered from the Restated Standalone Financials as on November 18, 2021 (These figures are meant for representation purpose and are not actual figures). The company issued 15,24,840 equity shares of Rs. 10/- each as Bonus shares to the existing shareholders in the proportion of 6 equity shares against 1 equity shares held on that date vide resolution passed in EGM dated 22/11/2021 and allotted on 23/11/2021 which has been considered to calculate Post offer Share Capital..

2. Current Borrowings represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.

3. Non-Current Borrowings represent debts other than Current Borrowings as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.

4. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at November 18, 2021

<b>ANNEXURE XXVIII</b>	
<b>STATEMENT OF TAX SHELTER</b>	
<b>Particulars</b>	<b>As at November 18, 2021</b>
Net Profit/(Loss) before taxes (A)	40.67
Tax Rate Applicable %	0.2517

Minimum Alternate Taxes (MAT)	0.1560
Adjustments	
Add: Depreciation as per Companies act	0.21
Add: Disallowance under Income Tax Act, 1961	2.68
Less: Depreciation as per Income Tax Act, 1961	1.64
Net Adjustments(B)	1.24
Business Income (A+B)	41.91
Total Taxable Income	41.91
Tax Payable as per Normal Rate	10.55
Tax Payable as per Special Rate:	
Interest payable on above	-
Tax as per Income Tax (C)	10.55
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961 (D)	6.34
<b>Net Tax (Higher of C &amp; D)</b>	<b>10.55</b>

ANNEXURE -XXIX	
OTHER FINANCIAL INFORMATION	
Particulars	As at November 18, 2021
Net Worth (A)	188.59
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	42.48
Restated Profit after tax	30.48
Add: Prior Period Item	-
Adjusted Profit after Tax(B)	30.48
Number of Equity Share outstanding as on the End of Year/Period (C)	2.54
Weighted average no of Equity shares as on the end of the period year(D)	
- Pre Bonus	0.13
- Post Bonus	3.34
Face Value per Share	10.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)	
- Pre Bonus	238.54
- Post Bonus	9.11
Return on Net worth (%) (B/A)	16.16%
Net asset value per share (A/C)	74.21
Adjusted Net asset value per share for bonus issue of equity share (A/D)	56.39
Current Assets	445.25
Current Liability	260.14
<b>Current ratio</b>	<b>1.71</b>

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

(iv) Current ratio

Current Assets

Current Liability

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Prior to November 18, 2021, the company has made the following changes in its capital structure, the effects of which have been considered in computing the above accounting ratios.

a. The Authorised Share Capital of the company was increased from 1,50,000 Equity Shares of Rs.10/- each to 25,00,000 Equity Shares of Rs. 10/- each vide resolution passed in AGM dated 25th October, 2021.

b. The company is Incorporated on 2nd of September, 2021 with a initial capital of 50000 equity shares of Rs. 10 each.

Further the company has made a preferential allotment against BTA executed between M/s. Clara Petrochemicals (Prop: Parry Kukreja) and the Company of 87140 shares of Rs. 10 each at a premium of Rs. 65 each, the shares were allotted on 10th November, 2021 vide EGM dated 29th October, 2021. The Company has allotted further preferential allotment of 117000 equity shares of Rs. 10 each at a premium of Rs. 65 each on 17th November, 2021 vide EGM dated 16th November, 2021.

6. The company issued 15,24,840 equity shares of Rs. 10/- each as Bonus shares to the existing shareholders in the proportion of 6 equity shares against 1 equity shares held on that date vide resolution passed in EGM dated 22/11/2021 and allotted on 23/11/2021.

<b>ANNEXURE -XXX</b>	
<b>RECONCILIATION OF RESTATED PROFIT AFTER TAX:</b>	
<b>Adjustments for</b>	<b>As at November 18, 2021</b>
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	30.48
<b>Adjustments for:</b>	
Changes in Depreciation	-
Deferred Tax Liability / Asset Adjustment	-
Taxes adjusted in Current period	-
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>30.48</b>

**Notes:-**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

<b>ANNEXURE -XXXI</b>	
<b>RECONCILIATION OF RESTATED EQUITY/ NETWORTH</b>	
<b>Adjustments for</b>	<b>As at November 18, 2021</b>
Equity / Net worth As per Audited Financials	188.59
<b>Adjustments for:</b>	
Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial	-
Accumulated Adjustment due to changes in Income Tax in Reserve & Surplus	-
<b>Equity/Net Worth as Restated</b>	<b>188.59</b>

**Notes:-**

Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

<b>CLARA INDUSTRIES LIMITED</b>	
<b>CIN:U25209UP2021PLC151537</b>	
<b>ANNEXURE –XXXII</b>	
<b>RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES</b>	
<b>PARTICULARS</b>	<b>As at November 18, 2021</b>
<b>Contingent liabilities in respect of:</b>	
Claims against the company not acknowledged as Debts	NIL
Guarantees given on Behalf of the Company	NIL
Guarantees given on Behalf of the Subsidiary Company	NIL
Other moneys for which the Company is contingently liable	NIL
Commitments (to the extent not provided for)	NIL
Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL
Uncalled liability on shares and other investments partly paid	NIL
Other commitments	NIL
<b>Total</b>	<b>NIL</b>

**AUDITED FINANCIAL STATEMENTS OF M/S CLARA PETROCHEMICALS (PROPRIETORSHIP) FOR  
THREE YEARS AND PERIOD ENDED ON SEPTEMBER 30, 2021**

Our Company acquired the ongoing business of M/s. Clara Petrochemicals i.e. the proprietorship of Our Promoter Ms. Parry Kukreja, vide Business Transfer Agreement dated October 29, 2021. The Audited Financials of the said proprietorship i.e. M/s. Clara Petrochemicals for the past three financial years and for the period April 01, 2021 to September 30, 2021 have been presented below:

**Balance Sheet of M/s. Clara Petrochemicals**

(Rs. In Lakhs)

Particulars	As on Sept 30, 2021	As on March 31		
		2021	2020	2019
<i>Assets</i>				
Fixed Assets	5.29	9.13	10.14	11.33
Investments	0.00	0.00	5.00	0.00
Inventories	221.96	188.59	161.88	131.35
Trade Receivables	65.44	5.18	10.37	9.69
Cash & Cash Equivalents	0.46	8.26	9.78	2.51
Advances to suppliers	41.56	40.35	84.24	36.70
Other Current Assets	41.10	45.81	0.01	4.01
<b>Total Assets</b>	<b>375.80</b>	<b>297.33</b>	<b>281.42</b>	<b>195.59</b>
<i>Liabilities</i>				
Proprietor's Capital Account	65.36	50.17	32.76	31.15
Unsecured Loans	30.80	35.55	32.15	27.70
Secured Loans	63.93	68.88	59.04	49.41
Current Liabilities	215.72	142.73	157.46	87.34
<b>Total Liabilities</b>	<b>375.80</b>	<b>297.33</b>	<b>281.42</b>	<b>195.59</b>

**Profit and Loss Account of M/s. Clara Petrochemicals**

(Rs. In Lakhs)

Particulars	As on Sept 30, 2021	As on March 31		
		2021	2020	2019
<i>Income</i>				
Revenue From Operation	149.53	306.09	236.69	221.40
Other Income	0.00	0.00	0.16	0.10
<b>Total Income</b>	<b>149.53</b>	<b>306.09</b>	<b>236.85</b>	<b>221.50</b>
<i>Expenses</i>				
Purchase of Goods	157.15	280.08	227.04	231.17
Changes in Inventories of stock-in-trade	-33.37	-26.71	-30.53	-44.78
Employee Benefits expenses	0.60	1.80	1.20	1.20
Freight Expenses	0.03	0.17	0.24	0.85
Power & Fuel Expenses	7.18	12.34	13.00	11.48
Labour/ wages	8.16	9.65	7.18	5.95
Accounting fees	0.00	0.12	0.12	0.12
Conveyance Expenses	0.00	0.00	0.00	0.25
Audit Fees	0.00	0.10	0.08	0.08
Finance Cost	3.45	7.01	7.24	6.66
Depreciation	0.43	1.01	1.19	1.40
Telephone Expenses	0.00	0.03	0.03	0.06
Travelling Expenses	0.32	0.02	0.10	0.28
Repair & Maintenance	0.00	0.10	0.08	0.12
Misc. Expenses	0.55	0.08	0.50	0.05
Insurance Expenses	0.00	0.10	0.49	0.00
Rent Expenses	0.00	0.00	2.16	0.00

<b>Total Expenses</b>	<b>144.51</b>	<b>285.89</b>	<b>230.13</b>	<b>214.90</b>
<b>Net Profit</b>	<b>5.02</b>	<b>20.19</b>	<b>6.72</b>	<b>6.60</b>
<b>Net Profit Margin</b>	<b>3.36%</b>	<b>6.60%</b>	<b>2.84%</b>	<b>2.98%</b>



## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, as restated for the years ended March 31, 2021, 2020 and 2019 including the related notes and reports, included in this Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on pages 20 and 127, respectively of this Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

We are engaged in business of providing flexible plastic packaging solutions to our clients, we serve varied sectors spanning FMCG, Consumer Product, Hardware Tools, Hospitality, Housekeeping, Pharmaceuticals, Clothing & Hosiery, Edible Oil, Salt and Sugar. Our Company is known in the industry for manufacturing and supplying of high-end multilayer Plastic bags and multilayer Plastic rolls in India. Our Promoter initially started operations way back in the year 2014 in the name of M/s Clara Petrochemicals, a sole proprietorship firm. In flexible packaging, we do manufacture printed films with surface printing as well as reverse printing, between 51 micron and above as mandate by government laws and also laminates in two-, three- and four-layer structure. We also manufacture standing pouches, side gazette pouches, Press & lock pouches and other pouches as per customer's requirement. Our Company has installed various testing equipment by virtue of which it will develop new packaging solutions at cheaper cost without affecting quality of the products. We regularly conduct batch wise tests on all our products for examining their strength, quality aspects etc. Our machines are capable of manufacturing multiple products at one point of time Our Business is not seasonal in nature but demand for some items such as Plastic bangles and peanuts packaging are seasonal. We manufacture plastic bangles which sells mostly during the festive time like Diwali and Karva Chauth whereas demand for peanuts tend to increase during the period September to January. Moreover, our promoter has been in the industry for more than decade, by using his experience our company do assemble plastic packaging machines for client. This is an additional business that the company runs.

Our product range includes;

- a. Packaging Films.
- b. Flexible Packaging.
- c. Horticulture Bags.
- d. HDPE Bottles.
- e. Plastic Matts.
- f. Printed and non-printed Plastic Sheets.
- g. Plastic Bangles.

Our Promoter initially started operations way back in the year 2014 in the name of M/s Clara Petrochemicals, a sole proprietorship firm. In the Year 2021, our Company through a Business Transfer Agreement (BTA), has acquired a proprietor firm named M/s Clara Petrochemicals. The Business takeover has resulted into a synergy effect which will provide an inorganic business growth and would result in a stable financial position of the company in the coming future. This acquisition has provided a strategy to build a sustainable and profitable business and synergies through supply chain opportunities and operational improvements, go-to-market and distribution network optimization, scale efficiencies in cost areas such as marketing, and optimization of overlapping infrastructure. It is an advantageous to combine the activities and

operations of both proprietor firm and Company into a single Company for synergistic linkages and the benefit of combined financial resources. This will be reflected in the profitability of our Company. This Takeover will also provide an opportunity to leverage combined assets and build a stronger sustainable business and will enable optimal utilization of existing resources and provide an opportunity to fully leverage strong assets, capabilities, experience, expertise. Other benefits that can be seen is increase in reserves, investments, goodwill, manpower, finances, customers, distributors, brands etc. at its disposal for meeting its requirements.

We have our manufacturing unit located at 127/1 Simbhalka Junardar, Janta Rd, Saharanpur-247001, Uttar Pradesh, India, having a total area of approximately 14,714 sq. ft. as on date of filing of Prospectus. Our manufacturing unit is being recognized for its in-house quality Management. Our manufacturing process starts with procurement of raw material such as granules and PET sheets then manufacturing process is been carried on the raw material post which the finished product is ready and is ready for dispatch. Our manufacturing facility is well equipped with streamlined process to ensure quality of products and timely manufacturing. We endeavour to maintain safety in our premises by adhering to key safety norms. We provide the best-in-class quality packaging solutions to our esteemed customers spread over all the sectors. We believe that we offer best to all our customers which makes us possible by understanding our client's needs and strive to deliver beyond their expectations. We are always committed to fulfil the requirements of our clientele according to their needs. In order to meet these requirements, we have adapted to best measure in the industry for quality management systems. We believe that we carry out extensive quality checks and source our raw materials from reliable and recognized suppliers to maintain the standard and quality. We are providing quality that ensures customer satisfaction. We believe that we have long-term and stable relationships developed over the years with our key suppliers and our key customers through the quality of products we provide.

### **Significant Development Subsequent to Incorporation**

In the opinion of the Board of Directors of Our Company, there have not arisen, since the date of incorporation, any significant developments or any circumstances that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

- i. Our Company acquired the running business of M/s. Clara Petrochemicals i.e., erstwhile proprietorship of our Promoter Ms. Parry Kukreja, vide Business Transfer Agreement dated October 29, 2021, for Rs. 65.35 Lakhs.
- ii. The Shareholders approved and passed resolution on October 25, 2021 to authorize the Board of Directors to raise funds by making Initial Public Offering.

### **Our Significant Accounting Policies:**

Our significant accounting policies are described in the section entitled "Financial Information as Restated" on page 136 of this Prospectus.

### **Factors affecting our results of operations**

Our company's future results of operations could be affected potentially by the following factors:

- Integrated in-house execution capabilities
- Leveraging our Market skills and Relationships
- Quality Service
- Enhance customer base by entering new geographies to establish long-term relationships
- Efficient Business Model and Low Labour Costs
- Needs of customers

### **Discussion on Results of Operation**

#### **Overview of revenue and expenditure**

## Revenue and Expenditure

**Total Revenue:** Our total revenue comprises of revenue from operations and other income.

**Revenue from operations:** Our revenue from operations comprises of sale of products.

**Other Income:** Our Other income consists of miscellaneous incomes.

**Expenses:** Our expenses comprise of Cost of Operations, Change in Inventory, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

**Cost of Operations:** Our cost of operations comprises adjustment of raw materials and purchases.

**Change in Inventory:** Changes in inventory of raw materials consist of change in our inventory of finished goods as at the beginning and end of the year.

**Employee Benefit Expenses:** Our employee benefit expense consists of Wages, Salaries & Bonus and Staff Welfare Expenses.

**Finance Cost:** Our finance costs comprise of Interest on loan from financial institution and Loan processing fee.

**Depreciation and amortisation expenses:** Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets. Intangible assets are amortized over periods corresponding to their estimated useful lives. It includes amortization of intangible assets.

**Other expenses:** Other expenses include Freight, Power & Fuel, Telephone Expenses, Travelling Expenses, Repair & Maintenance, Insurance Expenses, Accounting Fees, Audit Fees, Repairs & Maintenance, Miscellaneous Expenses, Rent Expenses.

**Provision for Tax:** Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company shall provide for current tax as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I.T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## Results of Our Operations

The following table sets forth select financial data for the Period ended September 30, 2021 and Financial Year ended on March 31, 2021, 2020 and 2019 of M/s. Clara Petrochemicals and the components of which are also expressed as a percentage of total income for such periods.

Particulars	30-09-2021	% of total income	31-03-2021	% of total income	31-03-2020	% of total income	31-03-2019	% of total income
Revenue from Operations	149.53	100.00%	306.09	100.00%	236.69	99.93%	221.40	99.95%
Other income	-	0.00%	-	0.00%	0.16	0.07%	0.10	0.05%
Total Revenue (A)	149.53	100.00%	306.09	100.00%	236.85	100.00%	221.50	100.00%
Expenses:								
Cost Material Consumed	139.16	93.06%	275.53	90.02%	216.94	91.59%	204.67	92.40%
Change in Inventory	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Employee benefits expense	0.60	0.40%	1.80	0.59%	1.20	0.51%	1.20	79.00%
Other expenses	0.87	0.58%	0.55	0.18%	3.56	1.50%	0.97	0.44%

Total Expenses (B)	140.63	94.05%	277.88	90.78%	221.70	93.60%	206.84	171.84%
Earnings Before Interest, Taxes, Depreciation & Amortization(C=A-B)	8.90	5.95%	28.21	9.22%	15.15	6.40%	14.66	6.62%
Finance costs (D)	3.45	2.31%	7.01	2.29%	7.24	3.06%	6.66	3.01%
Depreciation and amortization expenses (E)	0.43	0.29%	1.01	0.33%	1.19	0.50%	1.40	0.63%
Profit before exceptional items, extraordinary items and tax (F=C-D-E)	5.02	3.36%	20.19	6.60%	6.72	2.84%	6.60	2.98%
Tax Expenses								
- Current Tax	-	0.00%	-	0.00%	-	0.00%	-	0.00%
- Short/(Excess) Provision of Earlier Year	-	0.00%	-	0.00%	-	0.00%	-	0.00%
- Deferred Tax	-	0.00%	-	0.00%	-	0.00%	-	0.00%
- MAT Credit	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Tax Expense for The Year (G)	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Restated profit after tax from Continuing Operations (H=F-G)	5.02	3.36%	20.19	6.60%	6.73	2.84%	6.61	2.98%

## COMPARISON OF HALF YEAR ENDED SEPTEMBER 30, 2021 WITH FY 2020-21

### *Income*

**Total Revenue:** Our total revenue decreased by ₹156.56 lakhs or 51.15% to ₹149.53 Lakh for the period ended September 30, 2021 from ₹306.09 Lakh for the financial year 2020-21 due to the factors described below:

### *Revenue from operations*

Our revenue from operations is ₹149.53 Lakhs for the period ended September 30, 2021 as compared to ₹306.09 Lakhs for the financial year 2020-21 representing a decline of 51.15% on account of decline in sales due to the consideration of half year figures.

### *Other Income*

There is no Other Incomes for the period under consideration.

### *Expenses*

Our total expenses excluding finance cost, depreciation and tax expenses is ₹140.63 Lakhs for the period ended September 30, 2021 as compared to ₹277.88 Lakhs for the financial year 2020-21 representing a decrease of 49.39% due to the factors described below: -

### *Cost of Material Consumed*

Our cost of material consumed is ₹139.16 Lakhs for the period ended September 30, 2021 as compared to ₹275.53 Lakhs for the financial year 2021-20 representing a decrease of 49.49% due to consideration of half year figures.

### *Employee benefits expenses*

Our employee benefit expenses is ₹0.60 Lakhs for the period ended September 30, 2021 as compared to ₹1.80 Lakhs for the financial year 2020-21 representing a decrease of 66.66% due to consideration of half year figures of salaries & staff welfare expenses.

### ***Finance costs***

Our finance cost is ₹3.45 Lakhs for the period ended September 30, 2021 as compared to ₹7.01 Lakhs for the financial year 2020-21 representing a decrease of 50.78% on account consideration of half year figures.

### ***Depreciation and amortization expense***

The depreciation decreased by 15.49% to ₹226.92 Lakhs for the financial year 2020-21 from ₹268.52 Lakhs for the financial year 2019-20 due to wear and tear of assets.

### ***Other expenses***

Our other expenses increased by 58.18% to ₹0.87 Lakhs for the period ended September 30, 2021 from ₹0.55 Lakhs for the financial year 2020-21 which is 0.28% and 0.18% of the total revenue of respective years. The decrease was mainly due to increase in Travelling Expenses and Miscellaneous Expenses which was partially set off against decrease in Accounting Charges, Audit Fees, Telephone Expenses, Repairs & Maintenance and Insurance Expenses.

### ***Profit before tax***

Our profit before tax decreased by 75.14% to ₹5.02 Lakhs for the period ended September 30, 2021 from ₹20.19 Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

## **COMPARISON OF FY 2020-21 WITH FY 2019-20**

### ***Income***

**Total Revenue:** Our total revenue increased by ₹69.40 lakhs or 29.23% lakh to ₹306.09 Lakh for the financial year 2020-21 from ₹236.85 Lakh for the financial year 2019-20 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹306.09 Lakhs for the financial year 2020-21 as compared to ₹236.69 Lakhs for the financial year 2019-20 representing an increment of 29.32% on account of increase in sales due to expansion.

### ***Other Income***

Our other income is NIL for the financial year 2020-21 as compared to ₹0.16 Lakhs for the financial year 2019-20 representing a decrease of 100% on account of decrease in miscellaneous income.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹277.88 Lakhs for the financial year 2020-21 as compared to ₹221.70 Lakhs for the financial year 2019-20 representing an increase of 25.34% due to the factors described below: -

### ***Cost of Material Consumed***

Our cost of material consumed is ₹275.53 Lakhs for the financial year 2020-21 as compared to ₹216.94 Lakhs for the financial year 2019-20 representing an increase of 27.01% due to increase in our scale of operations.

### ***Employee benefits expenses***

Our employee benefit expenses is ₹1.80 Lakhs for the financial year 2020-21 as compared to ₹1.20 Lakhs for the financial year 2019-20 representing an increase of 50.00% due to increase in salaries.

### ***Finance costs***

Our finance cost is ₹7.01 Lakhs for the financial year 2020-21 as compared to ₹7.24 Lakhs for the financial year 2019-20 representing a decrease of 3.18% on account of repayment of loan in monthly equated instalments.

### ***Depreciation and amortization expense***

The depreciation decreased by 15.13% to ₹1.01 Lakhs for the financial year 2020-21 from ₹1.19 Lakhs for the financial year 2019-20 due to wear and tear of assets.

### ***Other expenses***

Our other expenses decreased by 84.55% to ₹0.55 Lakhs for the financial year 2020-21 from ₹3.56 Lakhs for the financial year 2019-20 which is 0.18% and 1.50% of the total revenue of respective years. The decrease was mainly due to decrease in Travelling Expenses, Miscellaneous Expenses, Insurance Expenses and Rent which was partially set off against increase in Audit Fees, Repair & Maintenance.

### ***Profit before tax***

Our profit before tax increased by 200.45% to ₹20.19 Lakhs for the financial year 2020-21 from ₹6.72 Lakhs for the financial year 2019-20. The increase was mainly due to the factors described above.

## **COMPARISON OF FY 2019-20 WITH FY 2018-19**

### ***Income***

**Total Revenue:** Our total revenue increased by ₹15.35 lakhs or 6.93% lakh to ₹236.85 Lakh for the financial year 2019-20 from ₹221.50 Lakh for the financial year 2018-19 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹236.39 Lakhs for the financial year 2019-20 as compared to ₹221.40 Lakhs for the financial year 2018-19 representing a growth of 6.91% on account of increase and expansion of sale of services.

### ***Other Income***

Our other income is ₹0.16 Lakhs for the financial year 2019-20 as compared to ₹0.10 Lakhs for the financial year 2018-19 representing an increase of 60.00% on account of increase in miscellaneous incomes.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹230.13 Lakhs for the financial year 2019-20 as compared to ₹214.90 Lakhs for the financial year 2018-19 representing an increase of 0.89% due to the factors described below: -

### ***Cost of Material Consumed***

Our cost material consumed is ₹216.94 Lakhs for the financial year 2019-20 as compared to ₹204.67 Lakhs for the financial year 2018-19 representing an increase of 6.00% due to increase in our scale of operations.

### ***Employee benefits expenses***

There has been no change in our employee benefit expenses which stood at ₹1.20 Lakhs for the financial year 2019-20 and 2018-19.

### ***Finance costs***

Our finance cost is ₹7.24 Lakhs for the financial year 2019-20 as compared to ₹6.66 Lakhs for the financial year 2018-19 representing an increase of 8.71% on account of new finances to fund the working capital requirements.

### ***Depreciation and amortization expense***

The depreciation decreased by 15.00% to ₹1.19 Lakhs for the financial year 2019-20 from ₹1.40 Lakhs for the financial year 2018-19 due to wear and tear of assets.

### ***Other expenses***

Our other expenses increased by 267.01% to ₹3.56 Lakhs for the financial year 2019-20 from ₹0.97 Lakhs for the financial year 2018-19 which is 1.50% and 0.44% of the total revenue of respective years. The increase was mainly due to increase Miscellaneous Expenses, Insurance Expenses and Rent Expenses which was partially set off against decrease in Telephone Expenses, Travelling Expenses and Repairs & Maintenance Expenses.

### ***Profit before tax***

Our profit before tax increased by 1.82% to ₹6.72 Lakhs for the financial year 2019-20 from ₹6.60 Lakhs for the financial year 2018-19. The increase was mainly due to the factors described above.

### **Related Party Transactions**

Related party transactions with our promoters, directors and their entities and relatives primarily relate to sale of products and loans transactions with related parties. For further information, please refer to the chapter titled "***Financial Statements as Restated***" on page 127 of this Prospectus.

### **Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### **Qualitative Disclosure about Market Risk**

#### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled "***Financial Statements as Restated***" beginning on page 127 of this Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled "***Financial Statements as Restated***" beginning on page 127 of this Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

## FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS

### Unusual or infrequent events or transactions

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

### Significant economic changes that materially affected or are likely to affect income from continuing operations

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

### Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the chapter titled "*Risk Factors*" beginning on page 20 of this Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

### The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

### Total turnover of each major industry segment in which the Issuer Company operates

Our Company is primarily engaged in the business of software development and providing educational services.

Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 71 of this Prospectus.

### Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company's customer and supplier vis-a-vis the revenue from operations and expenses respectively as on November 18, 2021 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	99.99 %	66.19 %
Top 10 (%)	100.00 %	84.50 %

### Competitive Conditions

We have competition with Indian and international financial service providing companies and our results of operations could be affected by competition in the financial services industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "*Risk Factors*" beginning on page 20 of this Prospectus.



**Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 20 of this Prospectus.

**Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in the Prospectus, we have not announced and do not expect to announce in the near future any new business segments.

**STATEMENT OF FINANCIAL INDEBTEDNESS**

Our Company has taken over the running business in the name of Clara Petrochemicals (Proprietor Ms. Parry Kukreja) through a Business Transfer Agreement consequent to which the undermentioned secured and unsecured borrowings had been transferred to our Company. However, the loan documents of such borrowings are still in name of previous concern i.e. Clara Petrochemicals (Ms. Parry Kukreja). Our Company has applied for the change of name to Clara Industries Limited which is still pending as on date of filing of this Prospectus.

**Brief details on the financial indebtedness of the “CLARA INDUSTRIES LIMITED” as on November 18, 2021 is as under:**

**SECURED LOAN:**

Name of Lender	Date of Sanction	Purpose	Sanctioned Amount (₹ in lakhs)	Rate of interest	Repayment Period	Outstanding amount (₹ in lakhs)
Punjab National Bank	December 31, 2019	Overdraft	58.65	10.30%	Secured With collateral as property of Parry Kukreja at Vill- Simbhalka, Saharanpur, UP- 247001 and guarantee of M/s. Chand plastic corporation.	55.69
Punjab National Bank	July 15, 2020	Covid Loan	11.00	7.00%	NIL	10.20
<b>From Banks</b>						<b>65.89</b>

**SECURED LOAN:**

Name of Lender	Purpose	Outstanding Amount (‘in Lakh)
Hare Krishna Filling Station (Proprietor: Priyanka Garg)	Business	9.60
Anil Kumar Agarwal	Business	9.00
<b>TOTAL</b>		<b>18.60</b>

**LOAN FROM RELATED PARTY:**

Name of Related Party	Purpose	Outstanding Amount (‘in Lakh)
Parry Kukreja	Business	0.52
<b>TOTAL</b>		<b>0.52</b>

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no:

(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters as on November 29, 2021.

Our Board, in its meeting held on October 18, 2021 determined that Outstanding Litigation involving our Company shall be considered material if:

(i) the monetary amount of claim by or against the entity or person in any such pending matter exceeds ₹10 lakhs (Rupees Ten Lakhs).

and

(ii) the Board or any of its committees shall have power and authority to determine suitable materiality threshold for the subsequent financial year on the aforesaid basis or any basis as may be determined by the Board or any of its committees (“Material Litigation”).

Our Board, in its meeting held on October 18, 2021 determined that outstanding dues to the small-scale undertakings and other creditors exceeding ₹10 lakhs (Rupees Ten Lakhs) of the Company’s trade payables for the last audited financial statements shall be considered as material dues for the Company (“Material Dues”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.clara.co.in](http://www.clara.co.in).

Our Company, its Directors, Promoters and Group Companies are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.

### **CONTINGENT LIABILITIES OF OUR COMPANY**

As on November 18, 2021, our Company has the following Contingent Liabilities:

<i>(₹ in lakhs)</i>		
Sr. No.	Particulars	Amount
1.	Income Tax demands / Notices before CIT Appeals / TDS	NIL
2.	Bank Guarantees / Corporate Guarantees	NIL
	<b>Total</b>	<b>NIL</b>

### **LITIGATIONS INVOLVING OUR COMPANY**

#### **LITIGATIONS AGAINST OUR COMPANY**

##### **CRIMINAL LITIGATIONS**

Nil

##### **ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

##### **OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

## LITIGATIONS FILED BY OUR COMPANY

### CRIMINAL LITIGATIONS

Nil

## OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY

## LITIGATIONS INVOLVING DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY

### LITIGATIONS AGAINST OUR DIRECTORS OTHER THAN PROMOTERS

#### CRIMINAL LITIGATIONS

##### 1. Mr. Manmohan Singh – Independent director

Sr. No.	Case filed by	Case filed against	Court / Case No.	Brief details of the case	Status	Amount involved
1	Anamika Jain (Drugs Inspector, Saharanpur)	Man Mohan Singh	District and Sessions Judge 9-Sri. Ravi Kant / Addl. District Judge C r No. 7	Drugs and Cosmetics Act, Sec.25(4) - Reports of Government Analysts,1 Sec.7 - The Drugs Consultative Committee, Sec.27 - Penalty for manufacture, sale, etc., of cosmetics in contravention of this Chapter (Please see case summary reproduced below this table)	Unknown	Unascertain ed

The Defendant i.e. Manmohan Singh was the proprietor of M/s Acromat Pharma Lab, the said Lab was involved in manufacturing Medicines. The sample of the Ciproctin (Ciprofloxacin Eye / Ear drop) manufactured by the Lab was sent by the Plaintiff Ms. Anamika Jain, Inspector of Drugs and Cosmetics to The State Drugs Controller, Uttar Pradesh (hereinafter “the Controller”) for the purpose of testing and analysis. The Plaintiff has filed a suit under section 25 (4), 17 and 27 Drugs and Cosmetics Act, 1940 bearing case registration number 400011/2015 with the Additional District and session Judge against the Defendant claiming that The State Drugs Controller, Uttar Pradesh after testing found out that the sample of Ciproctin (Ciprofloxacin Eye / Ear drop) contained Ciprofloxacin Hydrochloride equivalent to Ciprofloxacin only 5% of the prescribed quantity, which as per the applicable regulations should have been between 90% - 110% of the prescribed quantity. The defendant has denied the allegations and claimed that the wrong sample was sent to the Controller and requested that test should be conducted again, on the correct sample. The same was conducted by the Controller and the report in Form-2 dated October 03, 2015 of the test showed that the quantity of Ciprofloxacin Hydrochloride equivalent to Ciprofloxacin is between 90%- 110% of the prescribed quantity. However, the plaintiff inadvertently forgot to withdraw the case, and as a result the matter is currently pending in Additional District and Session Judge, Saharanpur.

#### ACTION BY REGULATORY OR STATUTORY AUTHORITIES

Nil

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY OUR DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING PROMOTERS OF OUR COMPANY**

**LITIGATIONS AGAINST PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**ACTION BY REGULATORY AND STATUTORY AUTHORITIES:**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS FILED BY PROMOTERS OF OUR COMPANY**

**CRIMINAL LITIGATIONS**

**1. Nikhil Kukreja**

Sr. No.	Case filed by	Case filed against	Case / FIR No.	Brief details of the case	Status	Amount involved
1.	Nikhil Kukreja	S.G. Sarvanan and R. Laxmi Nariman	FIR No. 0056 dated April 22, 2018  Registered under section 154 of Cr.P.C. for offences under section 420 and 406 of the IPC 1860	The Complainant was fraudulently induced in making a total payment of Rs. 7 Lakhs, as advance interest for two months against disbursement of a loan amount of Rs.4 crores in two stages as a project loan for starting a new factory and business of the Complainant, by the perpetrators of fraud viz. the two Respondents.	Unknown	₹ 7,00,000/- (Rupees Seven Lakhs Only)

				After receipt of payment via NEFT into the designated bank account of the Respondents, the Respondents failed to disburse the loan amount and also failed to refund the advance interest payment of Rs.7 Lakhs.		
2.	Nikhil Kukreja	Anant Arora and others	FIR No. - Unknown Police Station – Kotwali Nagar  The Complaint has lodged a FIR against named individuals under sections 420, 467, 468, 471, 120B, 504 and 506 of the IPC, 1860	In and around the year 2015, the Complainant was fraudulently cheated through a criminal conspiracy by the perpetrators of fraud who made the Complainant believe and deliver a large quantity of goods valued at Rs. 2,06,16,000/- by forging and submitting fake government purchase order and documents.	Unknown	Rs. 2,06,16,000/- (Two Crores Six Lakhs, Sixteen Thousand Only)

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

Nil

**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANY**

**LITIGATIONS AGAINST OUR SUBSIDIARY COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATIONS FILED BY OUR SUBSIDIARY COMPANY**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

Nil

**LITIGATIONS INVOLVING OUR GROUP COMPANIES**

**LITIGATIONS AGAINST OUR GROUP COMPANIES**

**CRIMINAL LITIGATIONS**

Nil

**ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

Nil

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

Nil

**LITIGATIONS FILED BY OUR GROUP COMPANIES**

**CRIMINAL LITIGATIONS**

Nil

**OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

Nil

**TAX PROCEEDINGS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS AND GROUP COMPANIES**

(₹ in Lakhs)

<b>Nature of Case</b>	<b>Number of Cases</b>	<b>Amount Involved*</b>
<b>Company: Clara Industries Limited</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>	NIL	NIL
<b>Promoters</b>		
<b>Direct Tax</b>		
E-Proceedings	02	Unascertained
Outstanding Demand**	NIL	NIL
TDS	NA	NA
<b>Indirect Tax</b>	NIL	NIL
<b>Directors #</b>		
<b>Direct Tax</b>		
E-Proceedings	01	Unascertained
Outstanding Demand**	01	0.07
TDS	NA	NA
<b>Indirect Tax</b>	NIL	NIL
<b>Group Companies</b>		
<b>Direct Tax</b>		
E-Proceedings	NIL	NIL
Outstanding Demand**	NIL	NIL
TDS	NIL	NIL
<b>Indirect Tax</b>	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

# Directors excluding Promoters

\*\*All outstanding demands prior to AY 2020-2021 is not yet made available on the Income Tax new updated portal.

#### **MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter - “*Management Discussion and Analysis of Financial Condition and Result of Operation*” on page 149 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

#### **OUTSTANDING DUES TO MICRO, SMALL & MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

In accordance with our Company’s materiality policy dated October 18, 2021, below are the details of the Creditors where there is outstanding amounts as on November 18, 2021

		<i>(₹ in lakhs)</i>
<b>Sr. No.</b>	<b>Particular</b>	<b>Amount</b>
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	35.82
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	37.78
<b>Total</b>		<b>73.59</b>



## GOVERNMENT AND OTHER STATUTORY APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies / regulatory authorities / certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.*

The Company has its business located at the following locations:

**Registered Office and Factory Address:** 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur-247001, Uttar Pradesh, India.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### **APPROVALS FOR THE ISSUE**

#### **Corporate Approvals**

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board of Directors have pursuant to a Board Resolution passed at its Board Meeting held on October 18, 2021 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1) (c) of the Companies Act, 2013 and such other authorities as may be necessary.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on October 25, 2021.

#### **ISIN Number**

The Company's International Securities Identification Number ("ISIN") is INE0JJS01014.

The Company has entered into an agreement dated October 25, 2021, 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.

The Company has also entered into an agreement dated October 29, 2021 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.

#### **Lender Consent**

The Company applied for consent from Punjab National Bank in relation to its Loan Account No. 1709009300045660, 170900IL00000176 and has received Consent vide letter dated November 20, 2021

### **APPROVALS OBTAINED BY OUR COMPANY**

Sr. No.	*Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
<b>INCORPORATION RELATED APPROVALS</b>					
1.	Certificate of Incorporation in the name of "Clara Industries Limited"	U25209UP2021PLC151537	ROC- Kanpur	September 02, 2021	One Time Registration

Sr. No.	*Nature of License / Approval	Registration / License No.	Issuing Authority	Date of Grant	Validity
<b>TAX RELATED APPROVALS</b>					
2.	Permanent Account Number ("PAN")	AAJCC7361E	Income Tax Department	September 02, 2021	One Time Registration
3.	Tax Deduction Account Number ("TAN")	MRTC04865A	Income Tax Department	September 02, 2021	One Time Registration
<b>GOODS AND SERVICES TAX REGISTRATION</b>					
4.	*Certificate of registration under Uttar Pradesh GST Act, 2017	09AAJCC7361E1ZJ	Superintendent, Government of Uttar Pradesh	Issued on – September 09, 2021  Valid from – September 09, 2021	One Time Registration
<b>BUSINESS RELATED APPROVALS</b>					
5.	*Udyam Registration Certificate	Udyam – UP- 0008554	MSME (Ministry of Micro, Small & Medium Enterprises)	Date of registration – September 17, 2021	One Time Registration
6.	*Import Export Code (IEC)	AAJCC7361E	Director General of Foreign Trade	November 01, 2021	One Time Registration
<b>LABOUR RELATED APPROVALS</b>					
7.	Factories Act, 1948	Application initiated			
8.	Consent under The Air (Prevention and Control of Pollution) Act, 1981	Application for Transfer in the name of Clara Industries is submitted to UPPCB			
9.	Consent under The Water (Prevention and Control of Pollution) Act, 1974	Application for Transfer in the name of Clara Industries is submitted to UPPCB			
10.	Certificate of Registration under Plastic Waste Management Rules, 2016	Application for Transfer in the name of Clara Industries is submitted to UPPCB			
11.	*Provident Fund Registration Certificate	MRMRT2455737000	Employees' Provident Fund Organization	September 06, 2021	One Time registration
<b>REGISTRATION UNDER EMPLOYEE STATE INSURANCE</b>					
12.	*Employees' State Insurance Corporation,	67000876970000999	Deputy Director	September 02, 2021	One Time Registration

\* All these certificates do not have current registered office address, since the company has recently shifted its registered office address and therefore the company is under process of making an application to change the old registered office address to new / current registered office address.

#### **CERTIFICATES**

<b>Sr. No.</b>	<b>Particulars / Description</b>	<b>Certificate Registration Number</b>	<b>Date of Registration</b>	<b>Validity / Status</b>
1.	Quality Management System ISO 9001:2015	INQ/UP-7854/1121	November 09, 2021	November 08, 2024

#### **THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:**

<b>Sr. No.</b>	<b>Domain Name and ID</b>	<b>IANA ID</b>	<b>Creation Date</b>	<b>Expiry Date</b>
1.	https://www.clara.co.in	146	September 16, 2021	September 16, 2026

#### **MATERIAL LICENSES / APPROVALS FOR WHICH OUR COMPANY HAS APPLIED FOR:**

Apart from as mentioned above, our Company has not applied for any license / approvals

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Issue has been authorized pursuant to the resolution passed by the Board of Directors dated October 18, 2021 and by the shareholders pursuant to the special resolution passed in Extra-Ordinary General Meeting dated October 25, 2021 under Section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained in-principle approval from the SME Platform of BSE Limited for using its name in this Prospectus pursuant to an approval letter dated December 10, 2021 from BSE Limited is the Designated Stock Exchange.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Promoters, Promoter Group and Directors have not been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoters, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- 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.
- Neither our Promoters, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, nor Promoter Group nor our Directors, are Wilful Defaulters.

### **PROHIBITION BY RBI**

Neither our Company, nor Promoters, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 161 of this Prospectus.

### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, the Promoters and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Prospectus.

### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET**

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 161 respectively, of this Prospectus.

### **ELIGIBILITY FOR THE ISSUE**

Our Company is eligible in terms of Regulations 228 and 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue,

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible for the Issue in accordance with Regulation 229(1) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital is less than or equal to ₹ 10 Crores and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE Limited”).

**We confirm that:**

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to chapter titled “**General Information**” beginning on page 44 of this Prospectus.

In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of Three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 44 and details of the Market Making Arrangements for this please refer to chapter titled “**The Issue**” beginning on page 40 of this Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working 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 working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on September 02, 2021, with the Registrar of Companies, Central Registration Centre under the Companies Act, 2013 in India. Subsequently, our Company has acquired the entire running business with the assets and liabilities of M/s Clara Petrochemicals, sole proprietorship concern of our Promoter Ms. Parry Kukreja vide Business Transfer Agreement dated October 29, 2021.
2. Our Company is engaged in the business of Plastic Packaging products.
3. The paid-up Capital of the Company is ₹ 177.90 Lakh comprising 17,78,980 equity shares.
4. The post issue paid up capital (Face Value) of the company will be ₹ 248.10 Lakh comprising 24,80,980 equity shares. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 2500.00 Lakh.
5. The Net worth, Cash Accruals and Net Tangible Assets of the Company as per the restated financial statements for the period ended on November 18, 2021 are as set forth below:

Particulars	(₹ in Lakh)
For financial year ended on November 18, 2021	
Networth <sup>(1)</sup>	188.59
Cash Accruals <sup>(2)</sup>	40.88
Net Tangible Assets <sup>(3)</sup>	188.22

<sup>(1)</sup> 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.

<sup>(2)</sup> Cash accruals” has been defined as the Earnings before depreciation and tax from operations.

<sup>(3)</sup> Net Tangible Assets are defined as the sum of total fixed assets plus current assets minus current liabilities minus intangible assets

6. The Proprietorship firm which has been taken over by our Company have combined track record of 3 years

7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated October 25, 2021 and National Securities Depository Limited (NSDL) dated October 29, 2021 for dematerialization of its Equity Shares already issued and proposed to be issued.
8. The Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
10. None of the Directors of our Company have been categorized as a Wilful Defaulter.
11. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
13. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform of BSE Limited.
14. The Company has a website [www.clara.co.in](http://www.clara.co.in)

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER GRETEX CORPORATE SERVICES LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MERCHANT BANKER ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 11, 2021 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 ISSUER AND THE LEAD MANAGER(S) ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE ISSUE DOCUMENT / LETTER OF OFFER / ISSUE DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**

**THE FILING OF THIS PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS PROSPECTUS.**

**“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, CIVIL LITIGATIONS, AND DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - A. THE PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
  - B. ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - C. THE MATERIAL DISCLOSURES MADE IN THE THIS PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 237 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER’S**

**CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.**

- 7. WE UNDERTAKE THAT SUB-REGULATION (2) OF REGULATION 236 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 SHALL BE COMPLIED WITH.**
- 8. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.**
- 9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED TO THE EXTENT APPLICABLE.**
- 10. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40(3) OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.**
- 11. WE CERTIFY THAT IN CASE OF RIGHT ISSUE DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT MODE- NOT APPLICABLE**
- 12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:**
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHILE MAKING THE ISSUE-NOTED FOR COMPLIANCE.**
- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**
- 15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY- NOTED FOR COMPLIANCE.**



16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE) AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015-DETAILS ARE ENCLOSED IN "ANNEXURE A".
17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS- *TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD-18 IN THE FINANCIAL INFORMATION OF THE COMPANY INCLUDED IN THE PROSPECTUS.*

**ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME EXCHANGE:**

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. THE ABRIDGED PROSPECTUS / ABRIDGED LETTER OF OFFER CONTAINS ALL DISCLOSURES AS SPECIFIED IN THESE REGULATIONS
3. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
4. WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.- NOTED FOR COMPLIANCE.
5. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER- NOTED FOR COMPLIANCE.
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE.
7. WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PERCENT OF THE COMPLIANCE RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEEDING THE MONTH OF THE FILLING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES OR LETTER OF OFFER WITH THE SME EXCHANGE.

**Note:**

The filing of this Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead Manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Kanpur in terms of Section 26 and Section 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.clara.co.in](http://www.clara.co.in) would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager to the Issue and our Company on November 10, 2021 and the Underwriting Agreement dated November 10, 2021 entered into between the Underwriters and our Company and the Market Making Agreement dated November 10, 2021 entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centers or elsewhere.

The Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoters, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Prospectus and the website of the Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).

#### **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 majors, HUFs, companies, corporate bodies and societies registered under 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, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Mumbai, Maharashtra, only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that the Draft Prospectus has been filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from 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 Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED**

BSE Limited ("BSE") has vide its letter dated December 10, 2021 given permission to "Clara Industries Limited" to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform ("SME Platform") the Company's securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are offered by the Company and 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 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.
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with 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 Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under 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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Bids 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 and legislations in each jurisdiction, including India.

## **FILING**

The Draft Prospectus / Prospectus is being filed with BSE Limited.

The Draft Prospectus has not been filed with SEBI, nor has SEBI issued any observation on the Issue Document in terms of Regulation 246(5) the SEBI (ICDR) Regulations, 2018. However, a copy of the Draft Prospectus and Prospectus will be furnished to the Board in a soft copy.

A copy of the Prospectus along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 will be delivered to the ROC, Kanpur situated at James Princep St, Khalasi Line, Civil Lines, Kanpur, Uttar Pradesh- 208002.

## **LISTING**

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated December 10, 2021 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE Limited.

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *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*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## **CONSENTS**

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; (b) Lead Manager, Underwriters, Market Maker, Registrar to the Issue, Banker(s) to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 and Section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report

in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Gupta Agarwal & Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Possible Tax Benefits*” relating to the possible tax benefits and restated financial statements as included in the Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus.

#### **EXPERT TO THE ISSUE**

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

- Report of the Statement of Possible of Tax Benefits.
- Report of the Auditor on the Restated Financial Statements for the stub period year ended on November 18, 2021 of our Company dated November 24, 2021.

#### **EXPENSES TO THE ISSUE**

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 60 of this Prospectus.

#### **DETAILS OF FEES PAYABLE**

##### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

##### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated November 10, 2021 a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

##### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013

#### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 51 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the Initial Public Offer of the Equity Shares by our 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 our Equity Shares since our inception.

## **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

## **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from

the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on October 18, 2021. For further details, please refer to the chapter titled “*Our Management*” beginning on page 102 of this Prospectus.

Our Company has appointed Mr. Anurag Saharawat as Company Secretary and Compliance Officer and he may be contacted at the following address:

**Mr. Anurag Saharawat**  
**Clara Industries Limited**

Company Secretary & Compliance Officer,  
127/1 Simbhalka Junardar, Janta Rd, Saharanpur-247001, Uttar Pradesh, India.

Tel: +91- 81718 84399

E-mail: [cs@clara.co.in](mailto:cs@clara.co.in)

Website: [www.clara.co.in](http://www.clara.co.in)

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 51 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Possible Tax Benefits*” beginning on page 68 of this Prospectus.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “*Our Management*” and “*Related Party Transactions*” beginning on pages 102 and 125 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

## **SECTION XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, ICDR Regulations, Listing Regulations, our MoA and AoA, the terms of this Draft Prospectus, the Prospectus, the Abridged Draft Prospectus, the Abridged Prospectus, Application Form, CAN, the Revision Form, Allotment Advices, and other terms and conditions as may be incorporated in the documents / certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a Public Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### **AUTHORITY FOR THE PRESENT ISSUE**

This Issue has been authorized by a resolution of our Board passed at their meeting held on October 18, 2021 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of our Company held on October 25, 2021.

### **RANKING OF EQUITY SHARES**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, '**Main Provisions of Article of Association**', beginning on page 209 of this Prospectus.

### **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act, 1956 and Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations or guidelines as may be issued by Government of India in connection there to and as per the recommendation 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 dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '**Dividend Policy**' and '**Main Provisions of Article of Association**', beginning on page 126 and 209 respectively, of this Prospectus.

### **FACE VALUE AND ISSUE PRICE**

The face value of the share of our Company is ₹10.00 per equity share and the issue price is ₹ 43.00 per Equity Share (including premium of ₹ 33.00 per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, '**Basis for Issue Price**', beginning on page 66 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.



## COMPLIANCE WITH ICDR REGULATIONS

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS

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 AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue 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, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 209 of this Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated **October 29, 2021** between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated **October 25, 2021** between CDSL, our Company and Registrar to the Issue.

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and Allotment of Equity Shares through this Prospectus will be done in multiples of 3,000 Equity Shares subject to a minimum Allotment of 3,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

## MINIMUM NUMBER OF ALLOTTEES

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

## JOINT HOLDERS

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

## NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, 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, our Board of Directors 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 days, the Board of Directors 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 will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## ISSUE PROGRAM

<b>Issue Opens on</b>	Thursday, December 16, 2021
<b>Issue Closes on</b>	Tuesday, December 21, 2021
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or Before Friday, December 24, 2021
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or Before Monday, December 27, 2021
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or Before Tuesday, December 28, 2021
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or Before Wednesday, December 29, 2021

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application

Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the 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 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws 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 Investors on Issue Closing Date maybe extended in consultation with the Lead Manager, Registrar and Share Transfer Agent 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 1 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 Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, 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 Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software / hardware system or otherwise.

In accordance with 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 Investors can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Investors, 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 SME platform of BSE Limited 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 SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

## **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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.

## **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 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 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.

## **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIS / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible 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 03, 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 Equity 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 page 51 of this Prospectus, and except as provided in the AoA 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, ‘*Main Provisions of the Articles of Association*’, beginning on page 209 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

## MIGRATION TO MAIN BOARD

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid-up Capital of the Company is likely to increase above Rs.25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid-up Capital of the Company is more than Rs.10 crores but below Rs. 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 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 44 of this 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 Mumbai, Maharashtra, 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, as amended from time to time, whereby, our Company's post issue face value capital is less than ten crore rupees but does not exceed twenty - five crore rupees. Our Company shall issue equity 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 chapter titled "*Terms of the Issue*" and "*Issue Procedure*" beginning on page nos. 182 and 191 respectively of this Prospectus.

The present issue of 7,02,000 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹ 43.00 per Equity Share (including a premium of ₹33.00 per Equity Share) aggregating up to ₹301.86 Lakh. The issue comprises a reservation of 36,000 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹43.00 each aggregating to ₹15.48 Lakh for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net issue to Public of up to 6,66,000 Equity Shares of face value of ₹10.00 each fully paid for cash at price of ₹43.00 per share aggregating to ₹286.38 Lakhs (the Net issue). The issue and the Net issue will constitute 28.30 % and 26.84% respectively of the post issue paid up equity share capital of the company.

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	6,66,000 Equity Shares	36,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.86% of the issue Size 26.84% of the Post Issue Paid up Capital	5.13% of the issue Size 1.45% of the Post issue Paid up Capital
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each.  For further details please refer to " <i>Basis of Allotment</i> " under chapter titled " <i>Issue Procedure</i> " beginning on page no. 191 of this Prospectus.	Firm Allotment
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds ₹2.00 Lakh.  <b><u>For Retail Individuals Investors:</u></b> 3,000 Equity Shares at an issue price of ₹43.00 per equity share.	36,000 Equity Shares of Face Value ₹10.00
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> The maximum application size is the Net issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b><u>For Retail Individuals Investors:</u></b> Such number of Equity 3,000 Equity Shares at an issue price of ₹43.00 per equity share. Such that the applicant value does not exceeds ₹2.00 Lakh.	36,000 Equity Shares of Face Value ₹10.00
<b>Trading Lot</b>	3,000 Equity Shares	36,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	<b><u>For Other than Retail Individual Investors:</u></b> All the applicants shall make the application (Online or Physical) through ASBA process  <b><u>For Retail Individuals Investors:</u></b> Through the ASBA Process or by using UPI ID	Through ASBA Process Only

Particulars of the issue	Net Issue to Public*	Market Maker Reservation Portion
	for payment	
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	
<b>Terms of Payment</b>	<ul style="list-style-type: none"> <li>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the issue.</li> <li>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</li> </ul>	

\*Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

(a) Minimum 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 (a) or (b) above may be allocated to the applicants in the other category.

*Explanation: If the retails individual investor category is entitled to more than 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 issue to Public, please refer to chapter titled “*The Issue*” beginning on page 40 of this Prospectus.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof. If our Company Withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre- issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh issue document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the issue is also subject to obtaining the final Listing and Trading Approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non- Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Mumbai.

## ISSUE PROGRAMME

<b>Issue Opening Date</b>	December 16, 2021
<b>Issue Closing Date</b>	December 21, 2021

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 applications on the Issue Closing Date:

- a. A standard cut-off time of 3.00 p.m. for acceptance of applications.
- b. A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- c. A standard cut-off time of 5.00 p.m. 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 up to the closure of timings and reported by LM to BSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the Physical Application Form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## **ISSUE PROCEDURE**

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/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 Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders 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 Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs ("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 SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on / or after May1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this 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. 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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “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 RIBs 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 was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had 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 continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further 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 is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues 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.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e., QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

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

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant’s depository account including DP ID, PAN and Beneficiary Account Number / UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.**

## APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE (www.bseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Application Form

Designated Intermediaries (other than SCSBs) shall submit / deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID / Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID / Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, 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 Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to 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 the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

## **ELECTRONIC REGISTRATION OF APPLICATIONS**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Issue on a regular basis before the closure of the Issue.

On the Issue Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.

Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation / Allotment. The Designated Intermediaries are given till 1:00 pm on the next working day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- Scientific and / or industrial research organizations in India, which are authorised to invest in equity shares; and
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

## **PARTICIPATION BY ASSOCIATES / AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS / PROMOTER GROUP**

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

## **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along 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 the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

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 Bids 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 RIIs 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 RIIs 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. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such 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).

For details of investment by NRIs, see "*Restrictions in Foreign Ownership of Indian Securities*" on page 208 of this Prospectus. Participation of eligible NRIs shall be subject to NDI Rules

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts.

An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY FPI**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than

10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs could be up to 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications 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 Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

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.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications 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 Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are 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 name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected. Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level / sub fund level where a collective investment scheme or fund has multiple investment strategies / sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- 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.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (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 or FVCI. 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 their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds 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 their investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

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.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company 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:

- a. Equity shares of a company: the lower of 10% <sup>(1)</sup> of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or 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.

*\* The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.*

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”).

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds / pension funds, subject to applicable laws, with minimum corpus of ₹ 25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“Banking Regulation Act”), and the Reserve Bank of India (“Financial Services provided by Banks”) Directions, 2016, 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 excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (iii) 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, as amended. 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 consolidated financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs 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 are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. 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 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, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

***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 Prospectus. Applicants are advised to make their independent investigations and ensure 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 regulation or as specified in the Draft Prospectus or the Prospectus***

**In accordance with RBI regulations, OCBs cannot participate in the Issue.**

#### **Information for the Applicants**

In addition to the instructions provided to the Applicants in the *General Information Document for Investing in Public Issues*, Applicants are requested to note the following additional information in relation to the Issue.

1. The Issue Period shall be for a minimum of three Working Days and shall not exceed ten working days. The Issue Period may be extended, if required, by an additional three working days, subject to the total Issue Period not exceeding ten working days
2. The relevant Designated Intermediary will enter each Application into the electronic bidding system as a separate Application and generate an acknowledgement slip (“**Acknowledgement Slip**”), for each price and demand option and give the same to the Applicant. Therefore, an Applicant can receive up to three Acknowledgement Slips for each Application Form. It is the Applicant’s responsibility to obtain the TRS from the relevant Designated Intermediary. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted. Such Acknowledgement will be non-negotiable and by itself will not create any obligation of any kind. When an Applicant revises his or her Application (in case of revision in the Price), he / she shall surrender the earlier Acknowledgement Slip and may request for a revised TRS from the relevant Designated Intermediary as proof of his or her having revised the previous Application.
3. In relation to electronic registration of Applications, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and / or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus or the Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
4. In the event of an upward revision in the Price, Retail Individual Applicants could either (i) revise their Application or (ii) shall make additional payment based on the revised Price (such that the total amount i.e., original Application Amount plus additional payment does not exceed ₹ 2 Lakh. The revised Applications must be submitted to the same Designated Intermediary to whom the original Application was submitted. If the total amount (i.e., the original

Application Amount plus additional payment) exceeds ₹ 2 Lakh, the Applicant will be considered for allocation under the Non-Institutional Portion. If, however, the Retail Individual Applicant does not either revise the Application or make additional payment the number of Equity Shares applied for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the Retail Individual Applicant and the Retail Individual Applicant is deemed to have approved such revised Application.

5. In the event of a downward revision in the Price, Retail Individual Applicant may revise their application; otherwise, the excess amount paid at the time of Application would be unblocked after Allotment is finalised.
6. Any revision of the Application shall be accompanied by instructions to block the incremental amount, if any, to be paid on account of the upward revision of the Application.

**The Applicants should note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Application Form is liable to be rejected.**

#### **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **SIGNING OF THE UNDERWRITING AGREEMENT AND THE ROC FILING**

- a) Our Company, the Lead Manager and the Market Maker have entered into an Underwriting Agreement on November 10, 2021.
- b) For terms of the Underwriting Agreement please see chapter titled “*General Information*” beginning on page 44 of this Prospectus.
- c) We will file a copy of the Prospectus with the RoC in terms of Section 26, Section 32 and all other provision applicable as per Companies Act.

#### **FILING OF THE PROSPECTUS WITH THE ROC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26 and 32 of Companies Act, 2013.

- a) **Designated Date and Allotment of Equity Shares Designated Date:** On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.
- b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website. On the basis of approved basis of allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Issue.
- c) Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been allotted Equity Shares in the Issue. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- d) Issuer will make the allotment of the equity shares and initiate corporate action for credit of shares to the successful applicants Depository Account within the time prescribed under applicable law. 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 transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 6 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

## **AVAILABILITY OF THE PROSPECTUS AND THE APPLICATION FORMS:**

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

## **GENERAL INSTRUCTIONS**

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their application(s) or lower the size of their application(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their application(s) during the Issue Period and withdraw their application(s) until Issue Closing Date

### **Do's:**

- 1) Check if you are eligible to apply as per the terms of this 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 applied within the Price Offer
- 3) Read all the instructions carefully and complete the Application Form in the prescribed form;
- 4) Ensure that you have mentioned the correct ASBA Account number if you are not an RII bidding using the UPI Mechanism in the Application Form and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;
- 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. Retail Individual Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
- 6) RIIs Applying in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for RIIs using the UPI Mechanism) to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
- 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.
- 8) In case of joint Applications, ensure that first applicant is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Application Form;
- 9) Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
- 10) Ensure that you request for and receive a stamped acknowledgement of the Application Form;
- 11) Ensure that the name(s) given in the Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Applicant is included in the Application Forms. PAN of the First Applicant is required to be specified in case of joint Applications;

- 12) Ensure that you submit the revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
- 13) Retail Individual Investors not using the UPI Mechanism, should submit their Application Form directly with SCSBs and not with any other Designated Intermediary;
- 14) 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;
- 15) 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;
- 16) Ensure that the correct investor category and the investor status is indicated in the Application Form;
- 17) Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- 18) Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- 19) Application by Eligible NRIs for an Amount of less than ₹ 2 Lakh would be considered under the Retail Category for the purposes of allocation and Applications for an Amount exceeding ₹ 2 Lakh would be considered under the Non-Institutional Category for allocation in the Issue
- 20) Since the allotment will be in dematerialised form only, ensure that the Applicant's depository account is active, the correct DP ID, Client ID , PAN and UPI ID, if applicable, are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID , PAN and UPI ID, if applicable, entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, PAN and UPI ID, if applicable, available in the Depository database;
- 21) In case of ASBA Applicants (other than Retail Individual Applicants using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Applying 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>);
- 22) 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;
- 23) Once the Sponsor Bank issues the UPI Mandate Request, the Retail Individual Bidders would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
- 24) 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. Bid In case of RIIs submitting their applications and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Issue Amount and subsequent debit of funds in case of Allotment;
- 25) Ensure that you have correctly signed the authorization / 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;

- 26) Retail Individual Applicants 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, a Retail Individual Applicant shall be deemed to have verified the attachment containing the application details of the Retail Individual Applicant in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
- 27) However, Applications received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
- 28) FPIs making MIM Applications using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Applications are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Applications shall be rejected;
- 29) Retail Individual Applicants 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 and
- 30) Ensure that the Demographic Details are updated, true and correct in all respects

The Application Form were liable to be rejected if the above instructions, as applicable, were not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 were liable to be rejected.

**Don'ts:**

- 1) Do not apply for lower than the minimum Application size;
- 2) Do not submit an application using UPI ID, if you are not a RII;
- 3) Do not Apply for an Amount exceeding ₹ 2 Lakh (for Applications by Retail Individual Applicants).
- 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 Apply at Cut-off Price (for Applications by QIBs and Non-Institutional Applicants);
- 7) Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
- 8) Do not submit the Applications for an amount more than funds available in your ASBA account.
- 9) Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
- 10) In case of ASBA Applicants, do not submit more than one ASBA Forms per ASBA Account;
- 11) If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
- 12) If you are a Retail Individual Applicant 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;

- 13) Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
- 14) Do not Apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- 15) Do not submit the General Index Register (GIR) number instead of the PAN;
- 16) Do not submit incorrect details of the DP ID, Client ID PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- 17) 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;
- 18) 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);
- 19) Do not submit an application / revise an Issue Amount, with a price less than the Issue Price;
- 20) Do not submit your Apply after 3.00 pm on the Issue Closing Date;
- 21) If you are a QIB, do not submit your application after 3:00 pm on the QIB Issue Closing Date;
- 22) Do not fill up the Application Form such that the Equity Shares Application 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 Prospectus;
- 23) Do not Apply for shares more than specified by respective Stock Exchanges for each category;
- 24) Do not Apply, if you are an OCB;
- 25) 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 RIIs using the UPI Mechanism;
- 26) Do not Apply on another Application Form after you have submitted an application to any of the Designated Intermediaries; and
- 27) Do not submit Applications to a Designated Intermediary at a location other than Specified Locations. If you are a Retail Individual Applicant and are using UPI Mechanism, do not submit the ASBA Form directly with SCSBs.;

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 can reach out to our Company Secretary and Compliance Officer. For details of our Company Secretary and Compliance Officer, see “**General Information**” on page 44 on this Daft Prospectus

For helpline details of the LM pursuant to the SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “**General Information**” on page 44 on this Daft Prospectus

## **GROUND FOR REJECTIONS**

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document for Investing in Public Issue*” 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 Applicants using the UPI Mechanism through an SCSBs and / or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Applications under the UPI linked Mechanism submitted by Retail Individual Applicants using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
6. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Application submitted without the signature of the First Applicant or sole Applicants;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Applicant;
9. ASBA Form by the RIIs by using third party bank accounts or using third party linked bank account UPI IDs;
10. 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;
11. GIR number furnished instead of PAN;
12. Application by Retail Individual Applicants with Application Amount for a value of more than ₹ 2,00,000/-
13. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Applications by Applicants accompanied by cheques, demand drafts, stock invest, money order, postal order or cash;
15. Applications uploaded by QIBs after 4.00 p.m. on the QIB Issue Closing Date and by Non-Institutional Applicants uploaded after 4.00 p.m. on the Issue Closing Date, and Applications by Retail Individual Applicants uploaded after 5.00 p.m. on the Issue Closing Date, unless extended by the Stock Exchanges; and
16. Application by OCB.

#### **ISSUANCE OF A CONFIRMATION OF ALLOCATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead 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.
2. The Registrar will then dispatch a CAN to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Applicant.

#### **INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM**

In addition to the instructions for completing the Application Form provided in the sub-section "*General Information Document for Investing in Public Issue – Applying in the Issue – Instructions for filing the Application Form / Application Form*" Applicants are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Applications must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Applications must be made in a single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Prospectus and in the Application Form.
3. Applications on a repatriation basis shall be in the names of FIIs or FPIs but not in the names of minors, OCBs, firms or partnerships and foreign nationals.

## DESIGNATED DATE AND ALLOTMENT

- (a) Our Company will ensure that the Allotment and credit to the successful Applicants' depository account will be completed within six Working Days, or such period as may be prescribed by SEBI, of the Issue Closing Date or such other period as may be prescribed.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.

### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the LM 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 will not make any Allotment in excess of the Equity Shares through the Offer Document except in case of over-subscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon over-subscription, an allotment of not more than one per cent of the Issue 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 Applicants 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 Applicants shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Applicants portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis.

### **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, 2013 includes imprisonment for a term which shall not be 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.

### **Undertaking by our Company**

Our Company undertakes the following:

- 1) If our Company does not proceed with the Issue after the Issue Closing Date but before allotment, then 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 on which the Equity Shares are proposed to be listed shall also be informed promptly;



- 2) That the complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- 3) That 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 such other period as may be prescribed;
- 4) If Allotment is not made, application monies will be refunded / unblocked in the ASBA Accounts within the time prescribed under applicable law or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants at the rate of 15.00% per annum for the delayed period;
- 5) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with the amount and expected date of electronic credit for the refund;
- 6) That the Promoters' contribution in full, if applicable, shall be brought in advance before the Issue opens for subscription
- 7) That funds required for making refunds to unsuccessful applicants as per mode(s) disclosed shall be made available to the Registrar to the Issue by the Company;
- 8) No further Issue of Equity Shares shall be made until the Equity Shares offered through the Prospectus are listed or until the Application monies are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.;
- 9) That if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue;
- 10) That our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- 11) That the allotment of securities / refund confirmation to Eligible NRIs shall be dispatched within specified time;
- 12) That adequate arrangements shall be made to collect all Application Forms from Applicants; and
- 13) That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges.

#### **Utilization of Net Proceeds**

Our Company specifically confirms and declares that:

- 1) All monies received out of the Issue of specified securities to public shall be credited / transferred to separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
- 2) Details of all monies utilized out of the Issue referred to in sub-item(i) shall be disclosed and continue to be disclosed till the time any part of the Fresh Issue proceeds remains un-utilised under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised and;

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under the appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and 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. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries / departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“DPIIT”) issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. Up to 100% foreign investment under the automatic route is currently permitted in the sector of “Manufacturing”, which includes manufacture of cement and concrete products.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.**

**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 Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

**SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 2013  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
OF  
CLARA INDUSTRIES LIMITED**

**PRELIMINARY**

The Regulations contained in Table "F" in the Schedule I to the Companies Act, 2013, shall apply to the Company except in as far as otherwise expressly incorporated hereinafter.

**I. INTERPRETATION**

- (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.

The company is a public company within the meaning of Section 2(71) of the Companies Act 2013 and accordingly a public company means a company which-

- (a) Is not a private company.
- (b) Has a minimum paid up capital as may per prescribed time to time.

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be a public company for the purpose of this Act even where such subsidiary company continues to be a private company in its articles

- (3) As per Section-2 (55) of Companies Act, 2013, Member's in relation to a company, means:
  - (i) The subscriber to the memorandum of the company who shall be deemed to have agreed to become member of the company, and on its registration, shall be entered as member in its register of members;
  - (ii) Every other person who agrees in writing to become a member of the company and whose name is entered in the register of members of the company;
  - (iii) Every person holding shares of the company and whose name is entered as a beneficial owner in the records of a depository.

**II. SHARE CAPITAL AND VARIATION OF RIGHTS**

- (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 recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
- (5) (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.
- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
- (6) (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- (7) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

- (8) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### III. 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 be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
- (10) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
  - (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
- (11) (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale
- (12) (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale

### IV. 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 authorizing 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-
  - (i) 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
  - (ii) 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.

## V. 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 recognise any instrument of transfer unless
  - (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) the instrument of transfer is in respect of only one class of shares.

- (22) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

## VI. TRANSMISSION OF SHARES

- (23) (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
- (24) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
- (25) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
- (26) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with

## VII. 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 nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified

#### VIII. 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 "stockholder" 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.

#### IX. 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.

#### X. 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.

#### XI. GENERAL MEETINGS OF THE BOARD

- (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.

#### XII. 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.

### **XIII. 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.

### **XIV. 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.

### **XV. PROXY**

- (55) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at

which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

- (56) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- (57) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used

## XVI. BOARD OF DIRECTORS

- (58) The names of the first directors are as follows:-
1. Isha Sachdeva
  2. Shanta Rani
  3. Priyanka Mediratta
- (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 the 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.

## **XVII. 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.

## **XVIII. 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.

#### **XIX. 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.

#### **XX. DIVIDENDS AND RESERVES**

- (77) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- (78) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- (79) (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (80) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
- (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- (81) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

- (82) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (83) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
- (84) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
- (85) No dividend shall bear interest against the company.

#### **XXI. 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.

#### **XXII. 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

#### **XXIII. 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 XIII: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) months years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 127/1 Gram Simbhalka Junardar Paragna, Tehsil and District Saharanpur- 247001, Uttar Pradesh, India from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **A. MATERIAL CONTRACTS**

1. Memorandum of Understanding dated November 10, 2021 between our Company and the Lead Manager.
2. Registrar Agreement dated November 10, 2021 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated November 10, 2021 between our Company, the Lead Manager and Underwriters.
4. Market Making Agreement dated November 10, 2021 between our Company, Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated November 10, 2021 between our Company, the Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and the Registrar dated October 29, 2021.
7. Tripartite agreement among the CDSL, our Company and the Registrar dated October 25, 2021.

#### **B. MATERIAL DOCUMENTS**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated September 02, 2021 issued by RoC.
3. Resolution of the Board of Directors of the Company, passed at the Meeting of Board of Directors held on October 18, 2021 in relation to the Issue.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on October 25, 2021 relation to the Issue.
5. The Statement of Possible Tax Benefits dated November 24, 2021 issued by the Statutory Auditor.
6. Statutory Auditor's report for Financials dated November 22, 2021 for the period ending on November 18, 2021 included in this Prospectus
7. Statutory Auditor's report for Restated Financials dated November 24, 2021 for the period ending on November 18, 2021 included in this Prospectus.
8. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lender, Lead Manager to the Issue, Legal Advisor to the Issue, Banker to our Company, Banker to the Issue, Registrar to the Issue, Underwriters and Market Maker to include their names in the Prospectus to act in their respective capacities.
9. Due Diligence Certificate dated December 11, 2021 addressed to SEBI from Lead Manager.



10. Approval from BSE Limited vide letter dated December 10, 2021 to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

**DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 2013 and the rule, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by Securities and Exchange Board of India, 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 / Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules framed or guidelines or regulations issued, as the case may be. We further certify that all statements in this Draft Prospectus / Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

<b>NAME AND DESIGNATION</b>	<b>SIGNATURE</b>
<b>MS. PARRY KUKREJA</b> <i>Managing Director</i> DIN: 06649401	Sd/-
<b>MR. NIKHIL KUKREJA</b> <i>Executive Director</i> DIN: 06649387	Sd/-
<b>MS. PRIYANKA MEDIRATTA</b> <i>Non- Executive Director</i> DIN: 09303974	Sd/-
<b>MR. MANMOHAN SINGH</b> <i>Independent Director</i> DIN: 07790507	Sd/-
<b>MR. AJAY KUMAR JAIN</b> <i>Independent Director</i> DIN: 01408067	Sd/-

**SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-  
**MR. NIKHIL KUKREJA**  
*Chief Financial Officer*  
PAN: ALXPK7283K

Sd/-  
**MR. ANURAG SAHARAWAT**  
*Company Secretary & Compliance Officer*  
PAN: GMIPS9161N

**Place:** Saharanpur  
**Date:** December 11, 2021

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In Rs.)	Listing Date	Opening Price on Listing Date	+ / -% change in closing price, [+ / - % change in Closing benchmark] 30th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 90th calendar days from listing	+ / -% change in closing price, [+ / - % change in Closing benchmark] 180th calendar days from listing
1	Mac Hotels Limited	1.94	24.00	October 04, 2018	24.60	118.99, [-0.62]	194.57, [2.05]	256.59, [11.05]
2	B & B Triplewall Containers Limited	19.99	36.00	October 15, 2018	38.75	42.66, [0.61]	34.43, [2.69]	31.69, [10.76]
3	BCPL Railway Infrastructure Limited	17.01	35.00	October 29, 2018	36.00	-1.52, [4.84]	-10.47, [5.75]	-0.83, [14.68]
4	Misquita Engineering Limited	1.93	27.00	October 04, 2019	27.85	41.78, [6.61]	102.05, [10.49]	122.60, [-24.97]
5	Anuroop Packaging Limited	2.64	13.00	November 21, 2019	13.25	-8.91, [2.73]	-17.97, [1.84]	-20.92, [-25.58]
6	Billwin Industries Limited	2.46	37.00	June 30, 2020	36.90	11.86, [8.08]	1.08, [8.78]	7.68, [34.53]
7	G M Polyplast Limited	8.09	159.00	October 14, 2020	160.00	4.48, [6.49]	0.30, [21.38]	5.55, [17.38]
8	Niks Technology Limited	2.01	201.00	March 31, 2021	202.10	5.42, [-1.47]	71.06, [6.14]	-0.99, [21.35]
9	PlatinumOne Business Services Limited	3.89	82.00	September 16, 2021	99.95	144.42, [3.66]	N.A.	N.A.
10	Markolines Traffic Controls Limited	39.99	78.00	September 27, 2021	62.20	4.13, [1.77]	N.A.	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

**Note:**

- The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
- Price on BSE / NSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

**SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. of IPOs	Total Funds Raised (*in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2019-20	*2	4.57	--	--	1	--	1	--	--	--	1	1	--	--
2020-21	**3	12.56	--	--	--	--	--	3	--	--	1	--	--	2
2021-22	***2 \$	--	--	--	--	1	--	1	--	--	--	--	--	--

*Upto December 10, 2021*

*\*The scripts with Listing date - Misquita Engineering Limited (October 04, 2019) and Anuroop Packaging Limited (November 21, 2019).*

*\*\* The script with Listing date Billwin Industries Limited (June 30, 2020), G M Polyplast Limited (October 14, 2020) and Niks Technology Limited (March 31, 2021).*

*\*\*\*The script with Listing date PlatinumOne Business Services Limited (September 16, 2021) and Markolines Traffic Controls Limited (September 27, 2021)*

*\$ The script of PlatinumOne Business Services Limited and Markolines Traffic Controls Limited have not completed 180 Days from the date of listing.*