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**SUNRISE EFFICIENT MARKETING LIMITED****Corporate Identification Number U29100GJ2020PLC114489**

REGISTERED OFFICE		CONTACT PERSON	EMAIL
Sub Plot No. 2, block B, Akash Bhumi Complex, Village Surat, Gujarat, India-394221		Manish Vaghela Company Secretary and Compliance officer	lejas@sunriseefficientmarketing.net
TELEPHONE		WEBSITE	
+91 99250 43408		https://sunriseefficientmarketing.com/	
THE PROMOTER OF OUR COMPANY IS LEJAS DESAI			
Initial Public Offer of Up-to [●] Equity Shares of ₹ 10 Each (“ Equity Shares ”) Aggregating To ₹ 1700.00 Lakhs (“ The Issue ”).			
This Issue is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations and 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.			
OFFER FOR SALE			
NAME OF SELLING SHAREHOLDER	NO OF SHARES OFFERED		AVERAGE COST OF ACQUISITION(IN ₹)
N. A.	N. A.		N. A.
ISSUE PROGRAMME			
ISSUE OPENS ON: [●]		ISSUE CLOSES ON: [●]	



SUNRISE EFFICIENT MARKETING LIMITED

Our Company "Sunrise Efficient Marketing Limited" started the journey as a Public Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated July 09, 2020 bearing Registration Number U17299GJ2020PLC114489 issued by the Registrar of Companies, Central Registration Centre, which commenced the business from the Financial Year 2021. Subsequently, the Company amended its object clause vide the member's resolution dated January 15, 2022 for taking over the entire business of Sunrise Marketing And Services, a sole proprietorship concern of Lejas Hemantrai Desai, our Promoter. A fresh Certificate of Registration dated February 02, 2022 with Corporate Identification Number as U29100GJ2020PLC114489 was issued by Registrar of Companies, Ahmedabad. For details of incorporation, change of name and registered office of our Company, please refer to the chapter titled "General Information" and "History and Certain Other Corporate Matters" beginning on page 54 and 138 respectively of this Draft Prospectus.

Registered Office: Sub Plot No. 2, block B, Akash Bhumi Complex, Village Surat, Gujarat, India- 394221

Tel No: 91+ 99250-43408; **Email:** lejas@sunrisemarketing.net; **Website:** www.sunriseefficientmarketing.com

Contact Person: Manish Vaghela, Company Secretary & Compliance Officer

OUR PROMOTER: LEJAS HEMANTRAI DESAI

THE ISSUE

INITIAL PUBLIC ISSUE OF [●] UP TO EQUITY SHARES OF FACE VALUE OF ₹ 10.00/- EACH ("EQUITY SHARES") OF SUNRISE EFFICIENT MARKETING LIMITED ("THE COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 121 PER EQUITY SHARE (THE "ISSUE PRICE"), (INCLUDING A PREMIUM OF ₹ 111 PER EQUITY SHARE), AGGREGATING ₹ 1700.00 LAKHS ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10.00/- FOR CASH AT A PRICE OF ₹ 121 EACH AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH FOR CASH AT A PRICE OF ₹ 121 PER EQUITY SHARE, AGGREGATING TO ₹ [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF ISSUE" BEGINNING ON PAGE NO. 244 OF THIS DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10.00 EACH AND THE ISSUE PRICE IS 12.1 TIMES OF THE FACE VALUE

THIS ISSUE IS BEING MADE THROUGH FIXED PRICE PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE "SEBI (ICDR) REGULATIONS"), AS AMENDED AND RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED "ISSUE PROCEDURE" BEGINNING ON PAGE 254 OF THIS DRAFT PROSPECTUS. A COPY OF THE PROSPECTUS WILL BE DELIVERED TO THE REGISTRAR OF COMPANIES FOR FILING AS REQUIRED UNDER SECTION 26 OF THE COMPANIES ACT, 2013.

All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account and UPI ID in case of RI's, if applicable, in which the application amount shall be blocked by the Self-Certified Syndicate Banks ("SCSBs") or under UPI Mechanism as the case may be. For details in this regard, specific attention is invited to chapter titled "Issue Procedure" on page 254 of this Draft Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first Public Issue of our Company, there has been no formal market for the securities of our Company. The face value of the shares is ₹ 10 per Equity Shares and the Issue price is ₹ 121 per Equity Share and the Issue Price is 12.1 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager) as stated in the chapter titled on "Basis for Issue Price" beginning on page 82 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 24 of this Draft Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

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

LISTING

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

LEAD MANAGER TO THE ISSUE

FEDEX SECURITIES PRIVATE LIMITED
B 7, 3rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India
Tel No.: +91 81049 85249
E-mail: mb@fedsec.in
Website: www.fedsec.in
Contact Person: Yash Kadakia
SEBI Registration Number: INM000010163
Investor Grievance E-Mail: mb@fedsec.in

REGISTRAR TO THE ISSUE

KFIN TECHNOLOGIES PRIVATE LIMITED
Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032, Telangana
Tel No: +91 40 6716 2222
Fax No: +91 40 2343 1551
E-mail Id: seml ipo@kfintech.com
Website: www.kfintech.com
Contact Person: M. Murali Krishna
SEBI Registration No: INR000000221

ISSUE PROGRAMME

ISSUE OPENS ON:	[●]
ISSUE CLOSES ON:	[●]

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SECTION - I – GENERAL

DEFINITION AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, 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 Draft Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Tax Benefits*”, “*Restated Financial Statement*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provision of Articles of Association*” on pages 85, 165, 219, 125, 289 respectively, shall have the meanings ascribed to such terms in the respective sections.

CONVENTIONAL OR GENERAL TERMS

Term	Description
“Sunrise Efficient Marketing Limited”, “SEML”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies refers to Sunrise Efficient Marketing Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 2013 with its Registered office at Sub Plot No. 2, Block B, Akash Bhumi Complex, Village Surat, Gujarat, India, 394221.
Promoter(s) / Core Promoter(s)	Lejas Desai
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of SEBI ICDR Regulations as disclosed in the chapter titled “ <i>Our Promoter and Promoter Group</i> ” on page 159 of this Draft Prospectus
“you”, “your” or “yours”	Prospective Investors in this Issue

CORPORATE RELATED TERMS

Term	Description
AOA / Articles / Articles of Association	The Articles of Association of Sunrise Efficient Marketing Limited, as amended from time to time
Auditors / Statutory Auditors / Peer Review Auditor	The Statutory Auditor of our Company, being M/s SBMG & Co, Chartered Accountants (FRN: 127756W) The Peer Review Auditor of our Company, being M/s SBMG & Co., Chartered Accountants (FRN: 127756W) and Peer Review Number: 013977
Audit Committee	The Audit Committee of our Board, as described in “ <i>Our Management</i> ” on page 141 of this Draft Prospectus
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted from time to time including any Committees thereof as the context may refer to
Chairman/ Chairperson	The Chairman of Board of Directors of our Company being Hemantrai Desai.
Company Secretary and Compliance Officer	The Company Secretary of our Company, being Manish Vaghela

Term	Description
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company, being Bhranti Desai
Corporate Identification Number (CIN)	U29100GJ2020PLC114489.
Director(s)	Director(s) on the Board of Sunrise Efficient Marketing Limited as appointed from time to time, unless otherwise specified
Equity Shares/Shares	Equity Shares of our Company having face value of ₹10.00/- each, fully paid up, unless otherwise specified in the context thereof
Equity Shareholders / Shareholders	Persons /entities holding Equity Shares of our Company
Group Companies	Companies (other than our Corporate Promoters and Subsidiaries) with which there were Related Party Transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and as disclosed in “ <i>Our Group Companies</i> ” on page 162 of this Draft Prospectus
Independent Director	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 to chapter titled “ <i>Our Management</i> ” beginning on page 141 of this Draft Prospectus
ISIN	International Securities Identification Number is INE0KPY01017
Key Management Personnel /KMP	Key Management Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the Companies Act, 2013. For details, please refer “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
Managing Director	Managing director of our Company, Lejas Desai and Mitali Desai For details, see “ <i>Our Management</i> ” beginning on page 141
Market maker	The market maker of our Company being [●]
Materiality Policy	The policy adopted by our Board on February 21, 2022 for identification of group companies of our Company, outstanding litigation and outstanding dues to creditors in respect of our Company, pursuant to the disclosure requirements under 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 Board described in the chapter titled “ <i>Our Management</i> ” on page 141 of this Draft Prospectus.
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
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
Registered Office	Sub Plot No 2, Block B, Akash Bhumi Complex, Village Surat, Gujarat, India, 394221.

Term	Description
Registrar of Companies / ROC / RoC	Registrar of Companies, Ahmedabad ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013, Gujarat, India
Restated Financial Statements	The Restated Audited Financial Statements of our Company for the Financial Year ended March 31, 2021 and for the stub period ended September 30, 2021, which comprises of the restated audited balance sheet, restated audited statement of profit and loss and the restated audited cash flow statement, together with the annexures and notes thereto disclosed in chapter titled “ <i>Restated Financial Statements</i> ” on page 165 of this Draft Prospectus
Shareholders/ Members	Holders of equity shares of our Company from time to time
Stakeholders’ Relationship Committee	The Stakeholders Relationship Committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 and described in the chapter titled “ <i>Our Management</i> ” on page 141 of this Draft Prospectus

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms.
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to an applicant as proof of having accepted the Application Form
Allot / Allotment / Allotted / Allotment of Equity Shares	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 to whom the Equity Shares are being allotted
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus. All the applicants should make application through ASBA only.
Application Lot	[▪] Equity Shares and in multiples thereof
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by applicants to make an application and authorize an SCSB to block the application Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Prospectus
Bankers to the Company	Axis Bank Limited and Standard Chartered Bank

Term	Description
Banker to the Issue / Refund Banker / Public Issue Bank	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, ICICI Bank Limited.
Bankers to the Issue Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in “Issue Procedure” on page 254 of this Draft Prospectus.
Business Day	Any day on which commercial banks are open for the business
CAN /Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number of the Applicant’s Beneficiary Account
Collection Centers	Broker Centers notified by BSE Limited where bidders can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE Limited
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 Bidders with the Registrar to the Issue and SME Platform of BSE Limited and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Covid-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depository Participant/DP	A depository participant registered with SEBI under the Depositories Act.
Designated CDP Locations	Such centre of the CDPs where applicant can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the website of BSE Limited
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Prospectus, following which the Board may Allot Equity Shares to successful Bidders in the Issue
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated Market Maker	[●] 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

Term	Description
	years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the BSE Limited
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35
Designated Stock Exchange	SME Platform of BSE Limited (“BSE SME”)
Draft Prospectus	The Draft Prospectus issued in accordance with the SEBI ICDR Regulations.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and the Draft Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Draft Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Applicant Amount.
Escrow Agreement	An agreement to be entered among our Company, the Registrar to the Issue, the Escrow Collection Bank(s), Refund Bank(s) and the Lead Manager for the collection of Application Amounts and where applicable, for remitting refunds, on the terms and conditions thereof.
Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Accounts will be opened, in this case being ICICI Bank.
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 Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “Issue Procedure” on page 254 of this Draft Prospectus

Term	Description
Issue / Issue Size / Public Issue / IPO	Initial Public Issue of [●] Equity Shares of face value of ₹10.00 each of our Company for cash at a price of ₹ 121 per Equity Share (including a share premium of ₹ 111 per Equity Share) aggregating to ₹ 1700.00 Lakhs.
Issue Agreement	The agreement dated March 01, 2022 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 such date and the Issue Opening Date) during which prospective bidders can submit their Application Forms, inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of bidders. Our Company, in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Issue Closing Date which shall also be notified in an advertisement in same newspapers in which the Issue Opening Date was published.
Issue Price	₹ 121 per Equity Share (Including Premium of Rs.111 per share)
Issue Proceeds	The proceeds from the Issue based on the total number of equity shares allotted under the issue.
Lead Manager/ LM	The Lead Manager to the Issue namely, Fedex Securities Private Limited
Listing Agreement	The Listing Agreement to be signed between our Company and SME Platform of BSE Limited ("BSE SME")
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment
Market Making Agreement	The Market Making Agreement dated [●] between our Company, the Lead Manager and Market Maker
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹. 10.00/- each fully paid-up for cash at a price of ₹ [●] /- per Equity Share aggregating to ₹ [●] Lakhs for the Market Maker in this Issue
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [■] Equity Shares of face value ₹10.00/- each fully paid-up of our Company for cash at a price of ₹. [■] /- per Equity Share aggregating up to ₹ [■] Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to chapter titled " <i>Objects of the Issue</i> " on page 73 of this Draft Prospectus.
Non-Institutional Bidders /Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI
Overseas Corporate Body/ OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management

Term	Description
	(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 firm, limited liability partnership firm, 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 may require
Public Issue Account	The account to be opened with the Banker to the Issue under section 40 of Companies Act, 2013 to received monies from the ASBA Accounts
QIBs or Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of SEBI ICDR Regulations
Refund Account	Account to which Application monies are to be refunded to the Bidders
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of BSE Limited having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012
Registrar Agreement	The agreement dated March 02, 2022 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar 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	Registrar to the Issue being KFin Technologies Private Limited
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s) QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date
SME	Small and medium sized enterprises
Self-Certified Syndicate Bank(s) / SCSBs	The list of SCSBs notified by SEBI for the ASBA process is available at http://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 Investors (other than a RIIs using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may

Term	Description
	<p>submit the Application Forms, is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34, or at such other websites as may be prescribed by SEBI from time to time</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43) respectively, as updated from time to time</p>
Sponsor Bank	Sponsor Bank being ICICI Bank Limited being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI (https://www.sebi.gov.in/) and updated from time to time
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited
Syndicate Member	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter.
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form
Underwriters	[•]
Underwriting Agreement	The Agreement dated [•] entered between the Underwriters and our Company
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI
UPI Circulars	SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 and any subsequent circulars or notifications issued by SEBI in this regard
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Mandate Request	A request (intimating the RIIs by way of a notification on the UPI application and by way of a SMS directing the RIIs to such UPI mobile application) to the RIB 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

Term	Description
	In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=43) respectively, as updated from time to time
UPI Mechanism	The bidding mechanism that may be used by RILs in accordance with the UPI Circulars to make an ASBA Bid in the Issue
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter or a fraudulent borrower	An entity or a person categorized as a Wilful defaulter or fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1) (III) of the SEBI ICDR Regulations.
Working Days	“Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in city as mentioned in Draft Prospectus are open for business and in case of the time period between the Bid/Offer 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.

TECHNICAL /GENERAL AND INDUSTRY RELATED TERMS OR ABBREVIATIONS

Term	Description
FMCG	Fast Moving Consumer Goods
GIDC	Gujarat Industrial Development Corporation
HVAC	Heating, Ventilation and Air Conditioning
P.O.	Purchase Orders
VF Drives	Variable Frequency Drives
R.O.	Reverse Osmosis
TFO Machine	Two For One Twisting Machine
SQFT	Square Feet

CONVENTIONAL TERMS & ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
AS / Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
Bn	Billion
BSE	BSE Limited
BSE SME	SME Platform of BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor’s Report) Order, 2016, as amended
CDSL	Central Depository Services (India) Limited

Term	Description
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COPRA	The Consumer Protection Act, 1986
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
Consolidated FDI Policy	The current consolidated FDI Policy, effective from October 15, 2020 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
CY	Calendar Year
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
EBITDA	Earnings before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
EPFO	Employees' Provident Fund Organization
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	The Employees' State Insurance Act, 1948
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA Act/ FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations

Term	Description
Financial Year / Fiscal Year / FY	Unless stated otherwise, the period of twelve (12) months ending March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
Gol/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
GST	Goods and Services Tax
GSTIN	GST Identification Number
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
IBEF	India Brand Equity Foundation
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
IEC	Import Export Code
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
Rs. / Rupees / INR / ₹	Indian Rupees
IGST	Integrated GST
IT Act	Income-tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
KMP	Key Managerial Personnel
Ltd.	Limited
LMs	Lead Managers
IT Act	Income-tax Act, 1961
IT Rules	Income Tax Rules, 1962
Kms	Kilometres
LC	Letter of Credit
LIBOR	London Interbank Offered Rate
MCA	Ministry of Corporate Affairs, Government of India
MCLR	Marginal cost of funds-based lending rate
Mn	Million
Mutual Fund(s)	Mutual Fund(s) means mutual funds registered under SEBI (Mutual Funds) Regulations, 1996
MoU	Memorandum of Understanding
N.A. / NA	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non-Resident External Account

Term	Description
NRI	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	Reserve Bank of India
RONW	Return on Net Worth
RoCE	Return on Capital Employed
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEZ	Special Economic Zones
SEBI	The Securities and Exchange Board of India constituted under SEBI Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
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
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
SEBI Takeover Regulations/ SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sq. metres	Square Metres
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TPA	Tonnes Per Annum
VCFs	Venture capital funds as defined in and registered with SEBI under SEBI VCF Regulations or SEBI AIF Regulations, as the case may be
WCTL	Working Capital Term Loan
WEO	World Economic Outlook
WHO	World Health Organization
YoY	Year on Year

FORWARD-LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

All statements contained in the Draft Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, planned projects and other matters discussed in the Draft Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Draft Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- Uncertainty of the continuing impact of the COVID-19 pandemic on our business and operations;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Our business and financial performance is particularly based on market demand and supply of our products;
- Failure to successfully upgrade our product portfolio, from time to time;
- Our failure to keep pace with rapid changes in technology;
- An inability to maintain and enhance our brand and reputation, and any negative publicity and allegations in the media against us which may adversely affect our market recognition and trust in our services.
- Competition from existing and new companies may adversely affect our revenues and profitability;
- Political instability or changes in the Government could adversely affect economic conditions in India and consequently our business may get affected to some extent.
- The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition.

For further discussion of factors that could cause the actual results to differ from the expectations, see the section titled “Risk Factors” and chapter titled “Business Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 24, 108 and 210 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially

different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance.

These statements are based on the management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes 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. None of our Company, the Directors, the Lead Manager, or 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. Our Company and the Directors will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

All references in this Draft Prospectus to 'India' are to the Republic of India and its territories and possessions and all references herein to the 'Government', 'Indian Government', 'Gol', 'Central Government' or the 'State Government' are to the Gol, central or state, as applicable.

Unless otherwise specified, any time mentioned in this Draft Prospectus is in Indian Standard Time ("IST").

Unless indicated otherwise, all references to a year in this Draft Prospectus are to a calendar year.

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh.

In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus

FINANCIAL DATA

Unless stated otherwise, the financial data in the Draft Prospectus is derived from our Restated Financial Statements of our Company for the stub period ended September 30, 2021 and for the Financial Year ended March 31, 2021 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP and Guidance Note on "Reports in Company Prospectus", as amended issued by ICAI, as stated in the report of our Statutory and Peer Reviewed Auditor, as set out in the chapter titled "*Restated Financial Statements*" beginning on page 165 of this Draft Prospectus.

Our Financial Year commences on April 1 and ends on March 31 of the following year, so all references to a particular Financial Year are to the twelve-month period ended March 31 of that year.

In the Draft Prospectus, discrepancies in any table, graphs or charts between the total and the sums of the amounts listed are due to rounding-off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. Further, any figures sourced from third party industry sources may be rounded off to other than to the second decimal to conform to their respective sources.

Unless stated otherwise or the context requires otherwise, the financial information and financial ratios in this Draft Prospectus have been derived from our Restated Financial Statements.

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

Any percentage amounts, as set forth in the sections / chapters titled "*Risk Factors*", "*Business Overview*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 24, 108 and 210, respectively, of this Draft Prospectus and elsewhere in the Draft Prospectus, unless otherwise indicated, have been calculated on the basis of our Restated Financial Statements prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Indian GAAP as stated in the report of our Peer Review Auditor, set out in section titled "*Restated Financial Statements*" beginning on page 165 of this Draft Prospectus.

For additional definitions used in this Draft Prospectus, see the section *“Definitions and Abbreviations”* on page 2 of this Draft Prospectus. In the section titled *“Main Provisions of the Articles of Association”*, on page 289 of the Draft Prospectus defined terms have the meaning given to such terms in the Articles of Association of our Company.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry data used throughout the Draft Prospectus has been obtained or derived from industry and government publications, publicly available information and sources.

Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Draft Prospectus is reliable, it has not been independently verified by the Lead Manager or any of their affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

Further, the extent to which the industry and market data presented in the Draft 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.

CURRENCY AND UNITS OF PRESENTATION

In the Draft Prospectus, unless the context otherwise requires, all references to;

‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ or “₹” are to Indian rupees, the official currency of the Republic of India.

‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America, EURO or “€” are Euro currency,

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lacs’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One thousand Million’.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

SUMMARY OF OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Draft Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections titled “Risk Factors”, “Business Overview”, “Industry Overview”, “Capital Structure”, “The Issue” and “Outstanding Litigation and Other Material Developments” beginning on pages 24, 108, 90, 63, 46 and 219 respectively of this Draft Prospectus.

SUMMARY OF BUSINESS

Mr. Lejas Hemantrai Desai, the promoter of Sunrise Efficient Marketing Limited started his journey in the year 2002, as a sole proprietorship concern named as “Sunrise Marketing & Services” which was into the business of selling lighting products of Asian Electronics Limited as Authorized Dealers (Agents) for their Energy Saving Lighting Products like T-5 Tube lights, highway and streetlights etc. Sensing opportunity in the textile machinery space, Sunrise Marketing & Services entered into a dealership arrangement with Bharat Bijlee Limited for supply of motors in Surat.

In 2011, we diversified into Consumer Goods (FMCG Division) and acted as distribution for PepsiCo for 40% of Geography in Surat. Since its inception in 2002, Sunrise Marketing & Services diversified into other product categories like:

- Industrial Oils - Gulf Oil Lubricants India Ltd,
- VF Drives - Yaskawa (the Japanese giant brand) VF Drives,
- Gear Boxes - Redicon Power, Elecon
- Pumps (Domestic , Agriculture and Industrial Series).

Our Company was incorporated as a Public Limited Company in name and style of Sunrise Efficient Marketing Limited under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated July 09, 2020 bearing Registration Number U17299GJ2020PLC114489 issued by Registrar of Companies, Central Registration Centre, and commenced its business from Financial Year 2020-21. Subsequently, the Company amended its object clause vide the member’s resolution dated January 15, 2022 for taking over the entire business of Sunrise Marketing And Services, a sole proprietorship concern of Lejas Hemantrai Desai. A fresh Certificate of Registration dated February 02, 2022 with Corporate Identification Number as U29100GJ2020PLC114489 was issued by Registrar of Companies, Ahmedabad.

We are an ISO 9001:2015 certified Company primarily engaged in the business as traders, distributors, super stockiest, retailers, wholesalers, importers, exporters, agents, dealers, buyers, sellers, fabricators, assemblers, fitters, installers, repairers of all types of Industrial machineries, its spare parts, electrical items, electronic items, mechanical and engineering items, pipes, pipe fittings, sanitation parts, all types of machined and un-machined castings, industrial valves and its spares, Oils, lubricants, all types of motors, pumps, generator sets, batteries and all types of electrical, mechanical, electromechanical & electronic items, and spare parts, accessories used for industrial, domestic and agricultural purposes. We are also distributor for FMCG products.

Subsequently, our Company has acquired the business comprising of distribution agreement, customer relationship, employees and brands of M/s Sunrise Marketing and Services w.e.f. July 24, 2020.

SUMMARY OF INDUSTRY

India’s textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of

the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

For more details, please refer chapter titled “*Industry Overview*” on page 90 of this Draft Prospectus

PROMOTERS

The Promoter of our Company is Lejas Desai.

ISSUE SIZE

The Issue size comprises of issuance of up to [•] Equity Shares of face value of ₹10.00/- each fully paid-up for cash at price of ₹ 121/- per Equity Share (including premium of ₹111/- per share) aggregating to ₹1700 Lakhs. The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 15, 2022 and approved by the shareholders of our Company vide a special resolution at the Extraordinary General Meeting held on February 15, 2022 pursuant to section 62(1)(c) of the Companies Act.

OBJECTS OF THE ISSUE

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

(₹ in Lakhs)

Particulars	Amount
Funding the incremental working capital requirements of our Company	[•]
General corporate purposes*	[•]
Total	[•]

*the amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue

PRE-ISSUE SHAREHOLDING OF PROMOTERS AND PROMOTER GROUP

Particulars	Pre-Issue	
	Number of Shares	Percentage (%) holding
Promoters (A)		
Lejas Desai	20,55,643	56.79
Total (A)	20,55,643	56.79
Promoter Group (B)		
Mitali Desai	15,64,201	43.20
Hemantrai Desai	32	0.00
Total (B)	15,64,233	43.20
Total (A+B)	36,19,876	99.99

SUMMARY OF FINANCIAL INFORMATION

Particulars	For the six months period ended September 30, 2021	For the year ended March 31, 2021
Share Capital (₹ in Lakhs)	100.00	100.00
Networth (₹ in Lakhs)	330.73	18.37
Revenue (₹ in Lakhs)	2998.85	2613.78
Profit after Tax (₹ in Lakhs)	312.36	18.37
Earnings per share (Basic & diluted) (₹)	31.24	2.10
Net Asset Value per Equity Share (Basic & diluted) (₹)	43.07	11.83
Total borrowings (₹ in Lakhs)	997.99	682.90

QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

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

Nature of Cases	Number of Cases	Total Amount Involved
Proceedings against our Company		
Civil	1	Aggregate amount involved – 146,28,38/- & Int - ₹ 351081
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings by our Company		
Civil		
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax		
Proceedings by our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings by our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	2	Not Quantifiable
Proceedings by our Directors		
Civil	2	Aggregate amount ₹ 32,35,835 & Int – 15,06,791/-,
Criminal	11	Aggregate amount ₹ 1,77,21,060 & Int – 7,30,598
Tax	2	Not Quantifiable

For further details, please refer chapter titled “*Outstanding Litigations & Material Developments*” beginning on page 219 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “*Risk Factors*” on page 24 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Particulars	As at 30 September,	As at 31 March,
	2021	2021
Claims against the Company not acknowledged as debt		
Custom Duty saved on import of Capital Goods under EPCG Scheme	NIL	NIL
Bank Guarantees	NIL	NIL
Indirect Tax Liability	NIL	NIL
Amount of Capital Commitments	NIL	NIL
Corporate Guarantee Given by Company *	NIL	NIL
	-	-

SUMMARY OF RELATED PARTY TRANSACTIONS

Name of Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 30-09-2021	Amount of Transaction debited in 01-04-2021 to 30-09-2021	Amount of Transaction credited in 01-04-2021 to 30-09-2021	Amount outstanding as on 01/04/2021 Payable /(Receivable)
Lejas Hemantrai Desai	Key Managerial Person	Unsecured Loans	94.75	20.00	114.75	-
		Sundry creditors for expenses	8.69	6.41	9.35	5.75
		Director's Remuneration	2.01	7.64	5.99	3.66
		Loans and Advances	2.40	2.40	-	-
Mitaliben Lejas Desai	Key Managerial Person	Loans and Advances	0.60	0.60	-	-
		Sundry creditors for expenses	1.87	4.16	1.87	4.16
		Director's Remuneration	0.66	7.49	4.49	3.66
Hemantrai Thakorbhai Desai	Key Managerial Person	Unsecured Loans	3.58	-	3.58	-
		Director's Remuneration	3.57	5.24	4.49	4.32
		Loans and Advances	1.80	1.80	-	-
		Sundry creditors for expenses	2.43	4.43	2.70	4.16
Pinkal Sureshbhai Pancholi	Shareholders	Sundry creditors for expenses	1.37	5.49	2.99	3.87

Name of Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 30-09-2021	Amount of Transaction debited in 01-04-2021 to 30-09-2021	Amount of Transaction credited in 01-04-2021 to 30-09-2021	Amount outstanding as on 01/04/2021 Payable/(Receivable)
Gaurav Jayantbhai Desai	Shareholders	Sundry creditors for expenses	0.50	2.99	2.99	0.50
Jatinkumar Rameshbhai Lad	Shareholders	Sundry creditors for expenses	0.25	4.34	4.49	0.10
Hiteshkumar Chauhan	Shareholders	Sundry creditors for expenses	0.35	2.09	2.09	0.35
Bhranti Hemantrai Desai	Directors & Share Holders Relative	Sundry creditors for expenses	0.22	1.26	1.29	0.20
Lejas Hemantrai Desai HUF	Directors & Share Holders Relative	Unsecured Loans	17.57	-	17.57	-
Priyanka Pancholi	Directors & Share Holders Relative	Sundry creditors for expenses	0.70	1.94	2.09	0.55
M/s. Niti Enterprise	Enterprises over which significant influence is exercised	Sundry creditors for goods	0.72	0.00	0.73	-
M/s. Sunrise Marketing & Services	Enterprises over which significant influence is exercised	Sundry creditors for expenses	109.44	360.58	125.43	344.58
M/s. The Amore Benquets	Enterprises over which significant influence is exercised	Sundry debtors	1.20	1.31	0.79	0.68

FINANCING ARRANGEMENTS

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

WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY OUR PROMOTER IN THE ONE YEAR PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

The weighted average price at which the equity shares were acquired by our Promoter in the one year preceding the date of this Draft Prospectus.

Name	Number of Shares	Weighted Average Cost of Acquisition per Equity Share (in ₹)
Lejas Desai	15,55,643	12.21

**As certified by SBMG & Co., Chartered Accountants, pursuant to their certificate dated March 10, 2022 bearing UDIN: 22121551AEPDKR7073*

AVERAGE COST OF ACQUISITION

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

Name	Average Cost of Acquisition per Equity Share (in ₹)
Lejas Desai	35.25

**As certified by SBMG & Co., Chartered Accountants, pursuant to their certificate dated March 10, 2022 bearing UDIN 22121551AEPDFW8850*

DETAILS OF PRE-ISSUE PLACEMENT

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

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE (1) YEAR

Date of Issue/ Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Name of Allottees	No. of Shares Allotted	Benefits Accrued
March 03, 2022	1,57,025	10	121	Preferential Allotment	Lejas Desai	1,57,025	Conversion for Unsecured Loan
March 04, 2022	24,62,975	10	NA	Bonus Issue	Lejas Desai	13,98,618	Capitalization of Reserves & Surplus
					Mitaliben Desai	10,64,251	
					Hemantra Desai	22	
					Pinkal Pancholi	21	
					Gaurav Desai	21	
					Jatinkumar Lad	21	
					Hiteshkumar Chauhan	21	

For details, please refer to Section titled "Capital Structure" on page 63 of the Draft Prospectus.

SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken a split or consolidation of the Equity Shares in the one (1) year preceding the date of this Draft Prospectus.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS GRANTED BY SEBI

Our Company has not undertaken any exemption with related to provision of securities law granted by SEBI.

SECTION - II - RISK FACTORS

An investment in our Equity Shares involves a certain degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares or the industry in which we operate. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks or other risks that are not currently known or are currently deemed immaterial actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. Prospective investors should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 108, 90 and 210, respectively of, as well as the financial and other information contained in, this Draft Prospectus.

Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. For further details, see “Forward-Looking Statements” on page 14.

Unless otherwise indicated or context requires otherwise, the financial information included herein is derived from our Restated Financial Information for Fiscals 2021 and the six months ended September 30, 2021 included in this Draft Prospectus.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

Materiality

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

determining the materiality.

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

1. We are involved in certain legal proceedings and may face certain liabilities as a result of the same.

Our Company is involved in certain legal proceedings, which if determined, against us could have adverse impact on the business and financial results of our Company. For details kindly refer chapter titled “Outstanding Litigation and Material Developments” at page no. 219 of this Draft Prospectus. A brief detail of such outstanding litigations as on the date of this Prospectus are as follows:

Matters involving Our Company:-

A. Against our Company:-

Nature of Cases	Number of Cases	Total Amount Involved
Proceedings against our Company		

Civil	1	Aggregate amount involved – 146,28,38/- & Int - ₹ 351081
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings by our Company		
Civil		
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax		
Proceedings by our Promoter		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings against our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	NIL	NIL
Proceedings by our Group Companies		
Civil	NIL	NIL
Criminal	NIL	NIL
Tax	2	Not Quantifiable
Proceedings by our Directors		
Civil	2	Aggregate amount ₹ 32,35,835 & Int – 15,06,791/-,
Criminal	11	Aggregate amount ₹ 1,77,21,060 & Int – 7,30,598
Tax	2	Not Quantifiable

We cannot provide any assurance that these matters will be decided in favour of the above-mentioned entities or persons. Further, there is no assurance that legal proceedings will not be initiated against our company, its directors, promoters or group companies in future.

In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, 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. we believe that we have obtained all the requisite permits and licenses which are adequate to run our business. However, there is no assurance that there are no other statutory/regulatory requirements 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. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in interalia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure 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.

For further details, please refer to section titled “Government and Other Approvals” beginning on page 229 of the Draft Prospectus.

2. Substantial portion of our revenue is dependent on a limited number of customers. Loss of business from any of these customers may have an adverse effect on our revenue and profitability.

For the year ended March 31, 2021, more than 25% of our revenues were generated from our top 10 customers. The loss of our customer/or reduction of orders from our customer may adversely affect our revenues and profitability. Further, we cannot assure you that we will be able to 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 operations and profitability. For details of our top ten customers, please refer to chapter titled “Management Discussion and Analysis of Financial Statement & Result of Operation” beginning on page 210 of Draft Prospectus.

3. We are dependent upon manufacturer for fulfilment of needs of our customers. Our inability to maintain our relationships with our agents or deficiency in the service provided by such agents may adversely affect our business, results of operations, cashflow and profitability.

We depend on the manufacturer, for this purpose, we enter into memoranda and agreements with such agents, and such arrangements are generally for a specific period and generally renewable pursuant to mutual consent. We cannot provide assurance that such arrangements as aforesaid will continue to be successful or be renewed after expiry of the stipulated term. Any alteration to or termination of our current agreements with agents, any failure to enter into new and similar agreements on commercially favourable terms or at all, could materially adversely affect our business, financial condition, prospects or results of operations. As of September 30, 2021 we are authorised dealer for 138 manufacturers. Also, while in the past we have not faced any significant instances wherein there have been any deficiencies in the services provided by our distributor / manufacturer, we cannot assure you that such deficiencies will not arise in the services provided by our agents. As a result, our operations may be disrupted and our financial condition and results of operations could be adversely affected. Additionally, our reliance on, and inability to control such agents, could adversely affect our business, financial condition and results of operations.

4. Demand for our products is cyclical in nature and a substantial decrease in our sales during certain quarters of fiscal could have a material adverse impact on our financial performance

Demand for industrial products is driven by the demand from Original Equipment Manufacturers (OEMs) and from replacement market. Further, our FMCG business are affected by seasonal factors and particularly in the monsoon and winter season. The industry has been cyclical in the past and we expect this trend to continue. The future growth of our business depends on our ability to adjust to the variation in demand, in a timely manner and at competitive prices. Any such inability could adversely affect our operations and profitability.

5. Our registered office and factory premises are not owned by us.

The registered office of our Company is taken on rent from Mr. Lejas Desai (Promoter of our company) vide a rent agreement dated April 01, 2021. Also, the warehouses of our company have been taken on rent. However, the agreement can be extended and renewed, but cannot assure that such extension will be at terms favorable to the company or extendable at all. In an adverse scenario, we may have to shift our Registered office and warehouses to different premises, the terms of which may not be suitable for company. Such situation may adversely impact our business operations.

6. Our Company had made application for registration of trademarks under Trade Marks Act and the status of the same is pending as on date of the Draft Prospectus.

Currently, we do not have any registered trademark. However, we have made an application for registration of trademark of logo with Registry of trademark, which is applied under class 35 of Trade Marks Act, the status of the same is pending. Any failure to get the same registered in our name may affect our business prospects. Pending completion of registration proceedings, any third-party claim on any of our Trademark

may lead to litigation and our business operations could be affected. Even if our trademarks are registered, we may not be able to detect any unauthorized use or infringement or take appropriate and timely steps to enforce or protect our intellectual property, nor can we provide any assurance that any unauthorized use or infringement will not cause damage to our business prospects. For further details of our pending approvals, please see section Intellectual Property under chapter “Government and Other Approvals” beginning on page 229 of this Draft Prospectus.

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

Our ability to borrow and the terms of our borrowings will depend on our financial condition, the stability of our cash flows, general market conditions, economic and political conditions in the markets where we operate and our capacity to service debt.

As on September 30, 2021, our total secured outstanding indebtedness was ₹ 882.09 Lakhs

Our significant indebtedness results in substantial amount of debt service obligations which could lead to:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to borrow more money both now and in the future; and
- increasing our interest expenditure and adversely affecting our profitability

8. Relevant copies of educational qualifications of some of our Promoters, Directors and Key Managerial Personnel are not traceable.

Relevant copies of the educational qualifications of Mr. Anurag Harlalka are not traceable. In accordance with the disclosure requirements brief biographies of the Director is disclosed in the section title “*Our Management*” on page 141 of this Draft Prospectus. However, we have relied on affidavits provided by such Promoter, Directors and Key Managerial Personal’s.

9. Our Company had entered into various transactions with our Promoters, Promoter Group, Directors and their Relatives and Group Companies.

Our Company had entered into various transactions with our Promoters, Promoter Group, Group Companies, Directors and their Relatives. We believe that all such transactions have been conducted on arm’s length basis, however, there can be no assurance that we could not have obtained better and more favourable terms than from transaction with related Parties. Our Company may continue to enter into such transactions in future also and we cannot assure that in such an event there would be no adverse effect on results of our operations. For details, please refer to note on Related Party Transactions of the Auditor’s Report under Section titled “*Restated Financial Statement*” beginning on page 165 of the Prospectus.

10. Orders placed by customers may be delayed, modified, cancelled or not fully paid by our customers, which may have an adverse effect on our business, financial condition and results of operations and do not enter into long term contracts with most of them.

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 result in the postponement of the delivery of products or cause its cancellation. Accordingly, it is difficult to predict with certainty that, when, and to what extent we may be able to deliver the orders placed. Further, we may be bound to certain terms entered with the customers any non-adherence to the same may lead to breach, which may subject us to penalties and liquidated damages. Any failure to adhere to the conditions which may be beyond our control may subject us to liquidated damages which could have an effect on the result of operation and cash flow.

11. Loans availed by our Company have been secured on personal guarantees of our Promoter and Promoter Group members. Our business, financial condition, results of operations, cash flows and prospects may

be adversely affected in case of invocation of any personal guarantees or securities of the collateral provided by our Promoter and Promoter Group members.

Our Promoter and Promoter Group Members has provided personal guarantees and provided their personal property as security to secure a significant portion of our existing borrowings taken from Axis Bank, and may continue to provide such guarantees and other security post listing. In case of a default under our loan agreements, any of the personal guarantees provided by our Promoter and Promoter Group Members may be invoked and/ or the security may also be enforced, which could negatively impact the reputation and network of the Promoters. Also, we may face certain impediments in taking decisions in relation to our Company, which in turn would result in a material adverse effect on our financial condition, business, results of operations and prospects and would negatively impact our reputation. In addition, our Promoter and Promoter Group Members may be required to liquidate his shareholding in our Company to settle the claims of the lenders, thereby diluting his shareholding in our Company. We may also not be successful in procuring alternate guarantees/ alternate security satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer "*Statement of Financial Indebtedness*" on page no. 215 of this Draft Prospectus.

12. We are heavily dependent on our Promoters and Key Managerial Personnel for the continued success of our business through their continuing services and strategic guidance and support.

Our success heavily depends upon the continued services of our Key managerial personnel, along with support of our Promoters. We also depend significantly on our Key Managerial Persons for executing our day to day activities. The loss of any of our Promoters and Key Management Personnel, or failure to recruit suitable or comparable replacements, could have an adverse effect on us. The loss of service of the Promoters and other senior management could seriously impair the ability to continue to manage and expand the business efficiently. If we are unable to retain qualified employees at a reasonable cost, we may be unable to execute our growth strategy. For further details of our Directors and key managerial personnel, please refer to Section "*Our Management*" on page 141 of this Draft Prospectus.

13. There are certain discrepancies noticed in some of our corporate records relating to forms filed with the Registrar of Companies.

Our Company has made some clerical mistakes in the form filed with Registrar of Companies such as transfer list was not attached with an Annual Return. In case of any cognizance being taken we may be subjected to penalty in respect of them. Also, there are some cases where forms have not been filed or have been filed belatedly like form for managerial remuneration with Registrar of Companies for which requisite fees was paid by the Company. Although no show cause notice has been issued against the Company till date in respect of above, but in case of any such event we may be subjected to penal actions from the concerned authorities for the same.

14. We are subject to the restrictive covenants of banks in respect of the Loans/ Credit Limits and other banking facilities availed from them.

Our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lender, regarding, among other things such as major changes in share capital, changes in fixed assets, creation of any other charge, not to issue any personal guarantee by the guarantors etc. There can be no assurance that such consents will be granted or that we will be able to comply with the financial covenants under our financing arrangements. In the event we breach any financial or other covenants contained in any of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows. For further details on the Cash Credit Limits and other banking facilities, please see "*Statement of Financial Indebtedness*" on page 215 of the Draft Prospectus.

15. Our operations are subject to high working capital requirements. Our inability to maintain an optimal level of working capital required for our business may impact our operations adversely.

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, inventories and cash and cash equivalents. We have been sanctioned working capital of ₹ 600.00 Lakhs from Axis bank and ₹ 300.00 Lakhs from Standard Chartered Bank. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. Further, we have high outstanding amount due from our debtors which may result in a high risk in case of non-payment by these debtors. In case of any such defaults from our debtors, may affect our business operations and financials.

For further details regarding working capital requirement, please refer to the section “*Objects of the Issue*” on page 73 of this Draft Prospectus.

16. Our business is geographically located primarily in one area, Surat. Any loss or shutdown of operations at any of our facilities in Surat may have an adverse effect on our business and results of operations and failure to expand our operations may restrict our growth and adversely affect our growth.

Currently, our office and godowns is based in Surat and nearby cities of Gujarat. Hence, our revenues are generated from operations in this region only. In the event that demand for our products and services in general reduces or stops by any reason including political discord or instability or change in policies of State, then our financial condition and operating results may be materially and adversely affected. If we are unable to reach or expand our business into new geographic regions, including different districts in Gujarat our growth may be constraint to the Surat region which would result an opportunity loss for Company. Our lack of exposure in geographical boundaries outside our operating region could impact our future revenues.

17. We are obliged to follow the price catalogue provided by the manufacturer and distributor.

Our Company is into the business of trading therefore we are the price taker i.e. we are furnished with price list for each product along with margins on each product. If we are unable to maintain our pricing competitiveness and are not able to effectively respond to competition from existing veterans and prospective entrants and consequent pricing pressures, it will adversely affect our business, financial condition and results of operations.

18. We do not have definitive agreements or fixed terms of trade with most of our suppliers

In order to maintain flexibility in procurement options, we do not have any long-term supply arrangements with most of our suppliers and we procure our products on a purchase order basis. If we are unable to continue to procure supplies at competitive prices, our business will be adversely affected. Furthermore, the success of our supplier relationships depends significantly on satisfactory performance by our suppliers and their fulfilment of their obligations. If any of our suppliers fails for any reason to deliver the products in a timely manner or at all, it may affect our ability to manage our inventory levels, which in turn, may result in unavailability of the product thereby adversely affecting our customer shopping experience and our reputation. Further, there can be no assurance that our relationships with suppliers in the future will necessarily contribute to a better experience for our customers or to our profitability. If we fail to successfully leverage our existing and new relationships with suppliers, our business and financial performance could be adversely affected.

19. We are dependent on third parties for the manufacturing and production of all the products we sell. Any failure of such third parties to adhere to the relevant standards may have a negative effect on our reputation, business and financial condition.

We are authorised dealer for various manufacturer and do not manufacture any products we sell. For our products sold under our private labels, we depend on third party manufacturers. We are exposed to the risk

of our manufacturer supplier failing to adhere to the standards set for them by us and statutory bodies in respect of quality, quantum of production, safety and distribution which in turn could adversely affect our net sales and revenues.

Further, any lost confidence on the part of our customers due to failure of our suppliers to adhere to statutory standards would adversely affect our financial performance. Any delay or failure on the part of the third party manufacturers to deliver the products in a timely manner or to meet our quality standards by such third party manufacturers, or any litigation involving such third parties may cause a material adverse effect on our business, profitability and reputation.

20. The extent to which the coronavirus disease (COVID-19 pandemic) affects our business, results of operations and financial condition will depend on future developments, which are uncertain and cannot be predicted.

An outbreak of COVID-19 was recognized as a pandemic by the World Health Organization (“WHO”) on March 11, 2020. In response to the COVID-19 outbreak the governments of many countries, including India, had taken and may continue to take preventive or protective actions, such as imposing country-wide lockdowns, restrictions on travel and business operations and advising or requiring individuals to limit their time outside of their homes. Temporary closures of businesses had been ordered and numerous other businesses were temporarily closed on a voluntary basis as well. The scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe. Resurgence of the virus or a variant of the virus that causes a rapid increase in cases and deaths, if measures taken by governments fail or if vaccinations are not administered as planned, may cause significant economic disruption in India and in the rest of the world.

The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, including in the regions in which we operate, such as prohibiting people from assembling in heavily populated areas, instituting quarantines, restricting travel, issuing lockdown orders and restricting the types of businesses that may continue to operate, among many others. The outbreak of COVID-19 was recognized as a public health emergency of international concern on January 30, 2020 and as a pandemic by the WHO on March 11, 2020. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown announced on March 24, 2020. Progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. However, lockdowns have been re-introduced in certain areas and it may be re-introduced in other areas or extended in the future. The COVID-19 pandemic may affect our business, results of operations and financial condition, in the future, in a number of ways such as:

- i. result in a complete or partial closure of, or disruptions or restrictions on our ability to conduct, our manufacturing operations;
- ii. impact ability of our management and employees to travel, enter into or complete manufacturing products and other business transactions and delay movement of our products;
- iii. our inability to source key raw materials as a result of the temporary or permanent closure of the facilities of suppliers of our key raw materials;
- iv. non-availability of labour, which could result in a slowdown in our operations and delay the expansion of our manufacturing facilities;
- v. our inability to access debt and equity capital on acceptable terms, or at all;
- vi. the effects of the COVID-19 pandemic on our future results of operations, cash flows and financial condition could adversely impact our compliance with the covenants in our credit facilities and other financing agreements and could result in events of default and the acceleration of indebtedness;

- vii. increased vulnerability to cyber-security threats and potential breaches, including phishing attacks, malware and impersonation tactics, resulting from the increase in numbers of employees working from home;
- viii. uncertainty as to what conditions must be satisfied before government authorities completely lift lockdown orders; and
- ix. the potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, could result in a deterioration in our ability to ensure business continuity during this disruption.

On account of the lockdown, our operations were disrupted at manufacturing facilities from March 2020 to May 2020 and this resulted in a reduction in our revenues. We also incurred additional expenses in connection with, among other things, retaining employees, fixed costs payable for maintaining our manufacturing plants and loss of inventory. However, events beyond our control may unfold in the future, which makes it difficult for us to predict the impact that COVID-19 will have on us, our customers or suppliers in the future. Further, our insurance policies may not provide adequate coverage in circumstances, such as the COVID-19 pandemic.

Considering the above, we have assessed the carrying value of our assets including goodwill and intangible assets by considering internal and external information. We have also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions and while we expect to recover the carrying amount of these assets, there is no assurance that these expectations may materialize.

It is not possible to accurately predict the full impact of the COVID-19 pandemic on our business, cash flows, financial condition and results of operations due to the evolving nature of the COVID-19 pandemic and the extent of its impact across industries and geographies and numerous other uncertainties, including the duration and spread of the outbreak, additional actions that may be taken by governmental authorities. The extent to which COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Our existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The spread of any severe communicable diseases, such as COVID-19, may adversely affect our business, which could adversely affect our business, cash flows, financial condition and results of operations.

21. The business segment in which we operate is highly competitive, which may adversely affect our business operation and financial condition.

Players in electric industry generally compete with each other on attributes such as technical competence, quality of products, 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. 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.

22. We are dependent on third party logistic and support service providers for the delivery of raw materials and finished products and any disruptions in their services including transportation services or a decrease in the quality of their services may adversely affect our business, financial condition and results of operations.

We rely on third parties for the transportation services for the timely delivery of our products to our customers located in India and other countries. Our domestic operations use a number of different modes of transportation, including road, air and rail. Where a shipment is outbound overseas, we use a number of different modes of transportation, including road, air and sea. We also utilise third-party freight forwarders who contract with the relevant ocean carriers and airlines on our behalf and engage third-party logistics

service providers to provide support on our transportation requirements. Therefore, we face a risk that there could be deficiency or interruption in these third-party services. Although we do not enter into formal contracts with our third-party logistic service providers, we have purchase orders with these logistic service providers and hence are less exposed to fluctuations in transportation costs. However, in the event that these logistic service providers are unable to continue to provide these necessary services for our operations for reasons which are beyond our control and we are unable to secure alternate transport arrangements in a timely manner and at an acceptable cost, or at all, our business, results of operations and reputation may be materially adversely affected.

23. We may not be able to sustain effective implementation of our business and growth strategy.

The success of our business will largely depend on our ability to effectively implement our business and growth strategy. In the past we have generally been successful in execution of our business but there can be no assurance that we will be able to execute our strategy on time and within the estimated budget in the future. If we are unable to implement our business and growth strategy, this may have an adverse effect on our business, financial condition and results of operations.

24. If we are unable to attract new customers, retain customers at existing levels or sell additional products to our existing customers, our revenue growth will be adversely affected.

To continue to grow our business, it is important that we continue to acquire new customers. Our success in adding new customers depends on numerous factors, including our ability to offer various value-added products, execute our sales and marketing strategy, attract, effectively train, and retain new sales, marketing, professional services, and support personnel, develop or expand relationships with distributors, expand into new geographies and verticals, effectively manage and forecast our customer count, and expand our use cases for our existing customers.

It is important for our continued growth that we retain our existing customers. Our customers have no long-term contracts or obligation to purchase our products at the same prices and terms or at all. Our customer retention may decline or fluctuate as a result of a number of factors, including our customers' satisfaction with our products, our prices, reduction in our customers' spending levels, availability of cheaper substitutes, etc. Our ability to increase revenue also depends in part on our ability to increase the number of value-added products to be offered to our existing and new customers.

25. We may be subject to financial and reputational risks due to product quality and liability issues which may have an adverse effect on our business, financial condition and results of our operations.

In the event that we and our component suppliers are not able to meet the regulatory quality standards, or strict quality standards imposed by our customers, which are applicable to us in our manufacturing processes, it could have an adverse effect on our business, financial condition, and results of operations. The contracts we enter into with our customers typically include warranties that the products we deliver will be free from defects and perform in accordance with specifications agreed with the customers. To the extent that products shipped by us to our customers do not, or are not deemed to, satisfy such warranties, we could be responsible for repairing or replacing any defective products, or, in certain circumstances, for the cost of effecting a recall of all products which might contain a similar defect, as well as for consequential damages. However, we are still subject to claims from our customers if end products sold by our customers fail to perform or cause injury, death or damage due to problems in our products due to defects attributable to us. If any of the products sold by us fail to comply with applicable quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, sales and results of operations. From time to time, due to human or operational error, orders may not meet the specifications required by those customers and may therefore be rejected by customers. Any ongoing issues with products not meeting required specifications could reduce our revenue and negatively impact our reputation and financial performance.

While we undertake sample-based testing of our products in accordance with the agreements entered into with customers, the possibility of future product failures could cause our Company to incur substantial expense to replace defective products, provide refunds or resolve disputes with our customers through litigation, arbitration or other means. While we maintain provision for warranties for the products we manufacture, this may not be sufficient. There can be no assurance that we will be able to recover any losses incurred as a result of product liability in the future from any third party, or that defects in the products sold by us, regardless of whether we are responsible for such defects, would not adversely affect our standing and reputation in the marketplace and customer relationships, result in monetary losses and have a material adverse effect on our business, financial condition and results of operations.

26. If we are unable to gauge the demand of our products accurately and are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected.

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may be unable to sell in a timely manner, or at all, or under-stocking, which will affect our ability to meet customer demand. We plan our inventory and commence our production based on the forecast and anticipated demand. We have inventory stored at our warehouses and seek to maintain an optimal level of inventory which is important to our business as it allows us to respond to customer demand effectively. While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we under-stock inventory, our ability to meet customer demand may be impaired. If we over-stock inventory, our capital requirements may increase and we may incur additional financing costs. Any unsold inventory may have to be sold at a discount or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition.

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

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

28. We are susceptible to product liability claims that may not be covered by insurance and may subject us to substantial expenditure thereby adversely affecting our reputation and if the claim is successful, could require us to pay substantial amounts.

We may be subject to claims resulting from our any defects or negligence in storage, packaging or handling etc. which may lead to deficient safety norms, or inconsistency. In case of any claim would require us to incur expenses on litigation, divert management's time, adversely affect our reputation and impair the market of products. Further, we may not have adequate insurance coverage for product liability and if we are to take the same, it may result in additional expense. In case of any such claim is sustained could have an adverse effect on our business, financial condition, results of operations and cash flows.

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

Our company has obtained insurance coverage in respect of certain risks. Our insurance coverage consists of Standard fire and special perils, burglary and vehicle insurance. We believe that the insurance coverage maintained by us is adequate and consistent with the size of our business. However, there is no assurance that the insurance policy taken by us will be adequate for us to cover the losses. If we suffer any uninsured

loss or if claim made by us in respect of an insurance is not accepted or any loss occurred by us is in excess of the insurance coverage may adversely affect our operation, results and financials.

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

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

31. Our Company has borrowed unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

Based on restated financial statement, our Company has unsecured loans as at March 31, 2021 amounting to ₹ 115.90 Lakhs from Promoters and members of Promoter Group which are repayable on demand to relevant lenders. These unsecured loans may be re-called at any time by these parties. In the event these loans are required to be re-paid on a short notice, our Company may have to arrange additional fund which may impact our Financials. For further details in relation to the unsecured loans of our Company, please refer to chapter titled “*Restated Financial Statement*” and “*Financial Indebtedness*” on page 165 and 215 respectively of the Prospectus.

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

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above 100 crores. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE Limited and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

Our company has not carried out any independent appraisal of our working capital requirements. Therefore, if our estimation is not accurate or the assumptions we have taken prove to be not correct, we may be required to raise additional debt on terms that may not be totally favorable to us.

Our working capital requirements have been assessed based on the management’s estimates and the same have not been independently appraised or evaluated by any bank or financial institution. Further, the estimates of our working capital requirement are totally based on the experience of our management and Promoters. We cannot assure that these estimates may be accurate. If these estimates prove to be wrong, we may be required to raise additional debt, on terms that may not be totally favorable to our Company, which may in turn adversely affect our profitability.

For further details please refer Chapter titled “*Objects of the Issue*” on page 73 of Draft Prospectus

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

Our promoters along with the promoter group members will continue to hold collectively [●] % of the equity share capital of the company. As a result of the same they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any

change in the control of our company. In addition to the above, our promoters will continue to have the ability to take actions that are not in, or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

34. There are restrictions on daily movements in the price of the Equity Shares placed by the stock exchanges on which the company is listed, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once our company gets listed on the stock exchange we would be subject to circuit breakers limits imposed by the stock exchange, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. 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 may also 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.

35. Our Promoters have provided personal guarantees for loans availed by us / third party.

Our Company has availed loans in the ordinary course of business for the purposes including working capital, term loan for capital expenditure and takeover loans for consolidation of existing term loans. Our Promoters have given personal guarantees in relation to certain loans obtained by our Company, for details please see section titled "*Financial Indebtedness*" on page 215 of this Draft Prospectus. In the event of default on the loans, the guarantees may be invoked by our lenders thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by our Promoters, see "*History and Certain Corporate Matters – Guarantees issued by Promoter*" on page 138.

In year 2009-10 our Promoter Lejas Desai has given personal guarantee on CC facility availed by his Friend for the purpose of business. From the year 2014-15 his friend's business commenced incurring heavy losses, pursuant to which his friend defaulted in repayment of amount outstanding against CC facility. Consequently, such default is persisting in his CIBIL report as a guarantor default this may impact reputational loss of our promoter.

36. Our Company generally does business with our customers on purchase order basis and we have not entered into long term contracts with any 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 or distributors. Any change in the buying pattern of our customers or distributors from us can adversely affect the business of our Company. Further, our inability to add new buyers to our sales portfolio may hamper growth of our business and profitability. 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.

37. Any future issuance of Equity Shares may dilute the shareholding of the Investor or any sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through

an offering of our securities. While the entire Post-Issue paid-up share capital, held by our Promoters or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the sub-section titled "Notes to the Capital Structure" under the section titled "*Capital Structure*" beginning on page 63 of the Draft Prospectus. The future issuance or sale of the equity shares of our company by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

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

The Issue Price of our Equity Shares has been determined by Fixed Price method. The price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled "*Basis for Issue Price*" beginning on page 82 of the Draft Prospectus. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

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

Prior to this Public Issue, there is no public market for the Equity Shares of our company, and an active trading market may not develop or be sustained upon the completion of this Issue. Even though a Market Maker has been appointed for our stock, since there has been no public market for our Company's Equity Shares, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to:

- Volatility in the Indian and Global economy
- Performance of competitors.
- Company's result and performance
- Significant development with respect to the fiscal, political and financial condition in the economy.

The risk of loss associated with this characteristic may be greater for investors expecting to sell Equity Shares purchased in this Issue soon after the Issue.

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

Our Company has entered into transactions with our certain related parties. While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to Chapter titled "*Restated Financial Statement*" on page 165 of this Draft Prospectus.

41. We may be subjected to risks associated with product warranty.

We provide products warranties from the date of sale of the products against manufacturing defects. In the event of claimed defects or non-performance of our products, our practice is to accept such genuine claims and to replace such products. In the future, we may face material number of warranties claims due to

defects in our products. Defects, if any, in our products could adversely affect our reputation and demand for our products. In the event that defects, or warranty claims become more frequent, there may be an adverse effect on our operating results and financial condition.

42. Delays or defaults in customers payments could result in a reduction of our profits. We may be subject to working capital shortages due to delays or defaults in payments by clients.

If customers default in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations.

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

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

44. Product liability and other civil claims and costs incurred because of product recalls could harm our business, results of operations and financial condition.

We face an inherent business risk of exposure to product liability claims, in the event that our products fail to perform as expected or such failure results, or is alleged to result, in bodily injury or property damage or both. Consequently, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

Brands have their own policies regarding product recalls and other product liability actions relating to their suppliers. However, as suppliers become more integrally involved in the design process and assume more assembly functions, brands may seek compensation from their suppliers for contributions when faced with product recalls, product liability or warranty claims.

We may be required to provide warranties for our supplies and bear the costs of repair and replacement of such products. Such warranties may be enforced against us even in cases where the underlying sales contract has expired. A successful warranty or product liability claim or costs incurred for a product recall in excess of our available insurance coverage, if any, would have an adverse effect on our business, results of operations and financial condition.

In some cases, the warranty period for the some of our products manufactured is upto 60 months from date of manufacturing. But generally, the warranty term is 12 months from the date of the manufacturing. The warranty vary from customers to customers & products to products.

In case of defective products, we are required to replace/ repair at the cost or bear sole costs of defective products replaced/ repaired by the customer to whom we have sold the products along with reasonable cost of repair/ replacement or refund the purchase price of the defective product to such customer.

In case of recall, withdrawal etc. either voluntarily, or due to judicial order or in case of governmental seizure, any of which was partly, or wholly, due to our negligent/ wrongful act or omission, we shall be required to bear full costs and expenses. Whilst we maintain certain insurance for product liability and recall expenses for our exports and domestic sales, we cannot assure that such insurance will be adequate.

As a result of product liability legislation, civil claims may be brought against our customers, and we may be made parties to such claims where damages may have been caused by any faulty products that we produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition.

- 45. Our funding plans are based on management estimates and there is no assurance that the objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment. Further, the funding plan has not been appraised by any bank or financial institution.**

We intend to use the Net Proceeds for the purposes described in the section “*Objects of the Issuer*” on page 73 of the Draft Prospectus. The funding plans are in accordance with our own estimates and have not been appraised by any bank, financial institution or any other external agency and are not subject to any monitoring by any independent agency. We may have to revise our management estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change.

The details of the loans identified to be repaid using the Net Proceeds have been disclosed in the section “*Objects of the Issue*” on page 73. Such part of the Net Proceeds will not result in creation of any tangible assets as they are proposed to be utilized for repayment of certain loans and working capital facilities availed by us.

- 46. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.***

We maintain large amounts of inventory at our premises at all times. Although we have set up security measures, our operations may be subject to incidents of theft or damage to inventory. There can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future which could adversely affect our results of operations and financial condition. Additionally, in case of losses due to theft, fire, breakage or damage caused by other casualties, there can be no assurance that we will be able to recover from our insurer the full amount of any such loss in a timely manner, or at all. If we incur a significant inventory loss due to third-party or employee theft and if such loss exceeds the limits of, or is subject to an exclusion from, coverage under our insurance policies, it could have a material adverse effect on our business, results of operations and financial condition. In addition, if we file claims under an insurance policy it could lead to increases in the insurance premiums payable by us or the termination of coverage under the relevant policy.

- 47. Certain data mentioned in this Prospectus has not been independently verified.**

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

External Risk Factors

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors’ reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations

and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

49. The occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition. Hostilities, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, pandemics such as COVID-19, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural or man-made disasters and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. Any terrorist attacks or civil unrest as well as other adverse social, economic and political events in India or countries to who we export our products could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of the Equity Shares.

50. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, financial condition and results of operations.

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For instance, The Finance Act, 2020 ("Finance Act"), has, amongst others things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax ("DDT"), will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident and likely be subject to tax deduction at source. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, the Finance Act, 2019 stipulates any sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2019 has also clarified that the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and

on a non-delivery basis is specified at 0.003% of the consideration amount. As such, there is no certainty on the impact that the Finance Act, 2019 may have on our Company's business and operations.

Further, the Government of India has announced the union budget for Fiscal 2021, pursuant to which the Finance Act, effective from July 1, 2020, has introduced various amendments. As such, there is no certainty on the impact that the Finance Act, 2020 may have on our business and operations or on the industry in which we operate.

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

51. Investors may not be able to enforce a judgment of a foreign court against us.

Our Company is a company incorporated under the laws of India. All our Company's Directors and officers are residents of India and all of our assets are located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

52. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our clients thereby reducing our margins.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, wages, raw materials and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our clients, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the Government has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

53. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the

Indian economy. Financial disruptions may occur again and could impact our business, our future financial performance and the prices of the Equity Shares.

Risk Related to our Equity shares

54. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.

The Issue Price of the Equity Shares has been determined by our Company in consultation with the LMs, and through the Fixed Issue Process. This price is based on numerous factors, as described under “*Basis for Issue Price*” on page 82 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

55. The trading volume and market price of the Equity Shares may be volatile following the Offer.

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

56. Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to factors including general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, volatility in Indian and global securities markets, developments in our business as well as our industry and market perception regarding investments in our business, changes in the estimates of our performance or recommendations by financial analysts, and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares may also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business or operating results.

57. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the returns on our Equity Shares, independent of our operating results

58. Foreign investors are subject to foreign investment restrictions under Indian law that limit our ability to attract foreign investors, which may adversely affect the trading price of our 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 requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required. Further, in accordance with press note 3 of 2020, dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India, the FDI Policy has been recently amended to state that all investments by entities incorporated in 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 will require prior approval of the Government of India. These investment restrictions shall also apply to subscribers of offshore derivative instruments.

In addition, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. 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.

59. Investors may have difficulty enforcing foreign judgments against us or our management.

We are a limited liability company incorporated under the laws of India. All our directors and executive officers are residents of India and a majority of our assets and such persons are located in India. As a result, it may not be possible for investors to effect service of process upon us or such persons outside of India, or to enforce judgments obtained against such parties outside of India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of CPC on a statutory basis. Section 13 of the CPC provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a

refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the CPC, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the CPC, such presumption may be displaced by proving that the court did not have jurisdiction.

60. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid and Retail Individual Investors are not permitted to withdraw their Bids after Bid/Offer Closing Date.

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are required to pay the Bid Amount on submission of the Bid, and are not permitted to withdraw or lower their Application (in terms of quantity of Equity Shares or the Application Amount) at any stage after submitting an Application. Retail Individual Investors can revise their Application during the Offer Period and withdraw their Application until Offer Closing Date.

Therefore, QIBs and Non-Institutional Investors would not be able to withdraw or lower their Application, notwithstanding adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, or otherwise, at any stage after the submission of their Applications.

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

Capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("STT") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident.

Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares

62. Any future issuance of Equity Shares by us may dilute your shareholding and sales of the equity shares by our Promoter, Promoter Group or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by us may dilute your shareholding in us. In addition, any sales of substantial amounts of the Equity Shares in the public market after the completion of the Issue, including by our Promoter or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could materially impair future ability of us to raise capital through offerings of the Equity Shares. Our Promoter and Promoter Group currently hold an aggregate of [●] % of the outstanding Equity Shares. After the completion of the Offer, our Promoters will continue to hold [●] % of the outstanding Equity Shares. We cannot predict the effect, if any, that the sale of the Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of the Equity Shares.

63. Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.

A public company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offer document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

64. There is no guarantee that our Equity Shares will be listed on BSE SME in a timely manner or at all.

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer.

In accordance with current regulations and circulars issued by SEBI, our Equity Shares are required to be listed on the BSE SME within such time as mandated under UPI Circulars, subject to any change in the prescribed timeline in this regard. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares.

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

We are not a listed company and have historically not been subjected to the compliance requirements and increased scrutiny of our affairs by shareholders, regulators and the public at large associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the SEBI Listing Regulations which will require us to file audited annual and unaudited quarterly reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations or cash flows as promptly as other listed companies.

Further, as a listed company, we will be required to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required. As a result, our management's attention may be diverted from our business concerns, which may adversely affect our business, prospects, financial condition, results of operations and cash flows. In addition, we may need to hire additional legal and accounting staff with appropriate experience and technical accounting knowledge, but we cannot assure you that we will be able to do so in a timely and efficient manner.

66. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium

to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

67. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder in an Indian company than as shareholders of an entity in another jurisdiction.

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

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

SECTION - III –INTRODUCTION

THE ISSUE

The following table summarizes the Issue details:

PARTICULARS	DETAILS OF EQUITY SHARES
Issue of Equity Shares by our Company	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 121/- per Equity Share aggregating to maximum ₹ 1700 Lakhs.
Consisting of	
Market Maker Reservation Portion	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 121/- per Equity Share aggregating to ₹ [●].
Net Issue to The Public*	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 121/- per Equity Share aggregating to ₹ [●].
of which	
(A) Retail Portion	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 121 /- per Equity Share aggregating to ₹ [●] i.e., 50% of the Net Issue shall be available for allocation to the Retail Individual Investors.
(B) Non – Institutional Portion	[●] Equity Shares of face value of ₹ 10.00/- each fully paid-up for cash at price of ₹ 121/- per Equity Share aggregating to ₹ [●] i.e., 50% of the Net Issue shall be available for allocation for Investors other than Retail Individual Investors.
Pre-and Post-Issue Equity Shares	
Equity Shares outstanding prior to the issue	36,20,000 Equity Shares of face value of ₹. 10.00/- each.
Equity Shares outstanding after the issue	[●] Equity Shares of face value of ₹.10.00/- each.
Use of Issue Proceeds	For details, please refer chapter titled “Objects of the Issue” beginning on page 73 of this Draft Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on February 15, 2022 and approved by the shareholders of our Company vide a special resolution at the Extraordinary General Meeting held on February 15, 2022 pursuant to section 62(1)(c) of the Companies Act

This Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, 2018, as amended. For further details, please refer to section titled “Issue Structure” beginning on page 252 of this Draft Prospectus.

**As per the Regulation 253 of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:*

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

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

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

SUMMARY OF FINANCIAL INFORMATION

The following table set forth summary financial information derived from the Restated Financial Statements. The summary financial information presented below should be read in conjunction with “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 165 and 210 respectively.

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SUNRISE EFFICIENT MARKETING LIMITED

Annexure 1: Restated Summary Statement of Assets and Liabilities

(Rs in Lakhs)

Particulars	Annexure	As as 30th September	As at 31st March
		2021	2021
Equity and liabilities			
Shareholders' funds			
Share Capital	5	100.00	100.00
Reserves and Surplus	6	330.73	18.37
		430.73	118.37
Non-current liabilities			
Long-Term Borrowings	7	209.13	110.87
Deferred Tax Liabilities (Net)		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions	8	4.37	1.85
		213.50	112.72
Current liabilities			
Short-term borrowings	7	788.86	572.03
Trade payables	9	744.86	838.19
Short-term provisions	8	101.41	9.85
		1,635.13	1,420.07
Total		2,279.36	1,651.16
Assets			
Non-current assets			
Property, plant and equipment		193.42	104.53
(i) Tangible Assets	10	8.89	7.62
(ii) Capital Work In Progress		-	-
(iii) Intangible Assets		-	-
Deferred tax assets (net)	11	1.19	0.57
Non Current Investments	12	10.00	-
Long-term loans and advances		-	-
		20.08	8.19
Current assets			
Short-term loans and advances	13	28.40	75.52
Other current assets	14	10.24	10.00
Trade receivables	15	1,565.16	1,099.14
Inventories	16	648.03	457.02
Cash and bank balances	17	7.45	1.29
		2,259.28	1,642.97
Total		2,279.36	1,651.16

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4.

In Terms of Our Audit Report of even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED
Sd/- Sd/-

LEJAS HEMANTRAI
DESAI
(Director)
DIN: 02488965

MITALIBEN LEJAS
DESAI
(Director)
DIN: 02594823

Sd/-

Sd/-

Sd/-

Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094
Place : Surat
Date : 25-02-2022

BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

MANISHA VAGHELA
(Company Secretary)
PAN :AIWPV5770A

Place : Surat
Date : 25-02-2022

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 2: Restated Summary Statement of Profit and Loss

(Rs in Lakhs)

Particulars	Annexure	For the period ended 30th September	For the year ended 31st March
		2021	2021
Revenue			
Revenue from operations	18	2,998.85	2,613.78
Other income	19	7.94	4.74
Total revenue		3,006.79	2,618.52
Expenses			
Cost of materials consumed	20	2,409.38	2,420.93
Employee benefits expense	21	83.84	76.48
Finance costs	22	36.15	31.43
Depreciation and amortisation expense	10	1.57	1.03
Other expenses	23	58.34	63.27
Total expenses		2,589.28	2,593.14
PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		417.51	25.38
Exceptional/Prior Period Items			-
PROFIT BEFORE TAX		417.51	25.38
Tax expense			
Current tax		105.77	7.58
Deferred tax (credit)/charge	-	0.62	0.57
Profit for the period / year		312.36	18.37

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

In Terms of Our Audit Report of even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED

Sd/-
LEJAS HEMANTRAI DESAI
(Director)
DIN: 02488965

Sd/-
MITALIBEN LEJAS DESAI
(Director)
DIN: 02594823

Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094
Place : Surat
Date : 25-02-2022

Sd/-
BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

Sd/-
MANISHA VAGHELA
(Company Secretary)
PAN :AIWVPV5770A

Place : Surat
Date : 25-02-2022

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 3: Restated Summary Statement of Cash Flows

Particulars	For the year Ended 30th September	For the year ended on 31st March
	2021	2021
A. Cash flow from operating activities		
Profit before tax, as restated	417.51	25.38
Adjustments for :		
Depreciation and amortisation expense	1.59	1.06
Finance costs	36.15	31.43
Interest & Dividend income	(0.25)	(0.01)
Prior Period Adjustment	-	-
Operating profit before working capital changes	455.00	57.86
Changes in working capital:		
(Increase) / decrease Inventories	(191.00)	(457.02)
(Increase) / decrease in Trade Receivables	(466.03)	(1,099.14)
(Increase) / decrease in Other Current Assets	(0.23)	(10.01)
(Increase) / decrease in Loans and Advances and Other Assets	47.10	(75.51)
Increase / (decrease) in Trade Payables	(93.32)	838.19
Increase / (decrease) in Other Liabilities	-	-
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	2.52	1.85
Increase / (decrease) in Long Term Liabilities	-	-
Increase / (decrease) in Short Term Provision	91.55	9.86
Cash generated from / (utilised in) operations	- 154.41	- 733.92
Less : Income tax paid	(105.75)	(7.60)
Net cash flow generated from/ (utilised in) operating activities (A)	- 260.16	- 741.52
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(2.85)	(8.65)
Capital Work In Progress	-	-
Net of Purchase/ Proceeds from Sale of Investments	-	-
Interest and Dividend Received	0.25	0.01
(Increase) / decrease in Long Term Loans and Advances	-	-
Increase in Investment	(10.00)	-
Net cash flow utilised in investing activities (B)	(12.60)	(8.64)
C. Cash flow from financing activities		
Proceeds from issuance of shares	-	100.00
Proceeds from Security Premium	-	-
Net of Repayment/Proceeds from Short Term Borrowings	216.83	572.03
Net of Repayment/Proceeds from Long Term Borrowings	98.23	110.85
Interest/Finance Charges Paid	(36.15)	(31.43)
Dividend and Dividend Tax Paid		

Net cash flow generated from/ (utilised in) financing activities (C)	278.91	751.45
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	6.15	1.29
Cash and cash equivalents at the beginning of the period/ year	1.29	-
Cash and cash equivalents at the end of the period/ year	7.44	1.29

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and 4

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

Sd/-
Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094

Place : Surat
Date : 25-02-2022

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED

Sd/-
LEJAS HEMANTRAI DESAI
(Director)
DIN: 02488965

Sd/-
BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

Place : Surat
Date : 25-02-2022

Sd/-
MITALIBEN LEJAS DESAI
(Director)
DIN: 02594823

Sd/-
MANISHA VAGHELA
(Company Secretary)
PAN :AIWVPV5770A

Annexure 2: Restated Summary Statement of Profit and Loss

(Rs in Lakhs)

Particulars	Annexure	For the year ended 31st March	For the year ended 31st March	For the year ended 31st March
		2021	2020	2019
Revenue				
Revenue from operations	17	2,162.89	4,188.17	3,958.58
Other income	18	19.77	1.61	0.15
Total revenue		2,182.66	4,189.78	3,958.73
Expenses				
Purchase of stock-in-trade (Inclusive change in Inventory)	19	1,771.25	3,847.26	3,645.51
Employee benefits expense	20	76.96	109.00	109.92
Finance costs	21	39.82	66.17	70.74
Depreciation and amortisation expense	10	5.95	10.65	8.41
Other expenses	22	194.79	113.90	114.90
Total expenses		2,088.77	4,146.98	3,949.48
PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		93.89	42.80	9.25
Exceptional/Prior Period Items				-
PROFIT BEFORE TAX		93.89	42.80	9.25
Tax expense				
Current tax		24.50	11.83	8.58
Deferred tax (credit)/charge		5.25	5.66	5.74
Profit for the period / year		74.64	36.63	6.41

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the concern in Annexure 4
In Terms Of Our Re-stated Financial Statements for even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of SUNRISE MARKETING & Services

sd/-
CA Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEFPVX5406
Place : Surat
Date : 25-02-2022

sd/-
LEJAS HEMANTRAI DESAI
(Proprietor)

Place : Surat
Date : 25-02-2022

GENERAL INFORMATION

Lejas Hemantrai Desai, the promoter of our Company started his journey in the year 2002, as a sole proprietorship concern named as “Sunrise Marketing And Services” which was into the business of selling lighting products of Asian Electronics Limited as Authorized Dealers (Agents). Later, Lejas Hemantrai Desai founded and incorporated “Sunrise Efficient Marketing Limited” as a Public Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated July 09, 2020 bearing Registration Number U17299GJ2020PLC114489 issued by the Registrar of Companies, Central Registration Centre, which commenced the business from the Financial Year 2021. Subsequently, the Company amended its object clause vide the member’s resolution dated January 15, 2022 for taking over the entire business of Sunrise Marketing And Services, a sole proprietorship concern of Lejas Hemantrai Desai. A fresh Certificate of Registration dated February 02, 2022 with Corporate Identification Number as U29100GJ2020PLC114489 was issued by Registrar of Companies, Ahmedabad.

REGISTERED OFFICE OF OUR COMPANY

SUNRISE EFFICIENT MARKETING LIMITED

Sub Plot No. 2, Block B,
Akash Bhumi Complex,
Village Surat, Gujarat,
India, 394221

Tel No: +91 99250-43408

Email: lejas@sunrisemarketing.net

Website: www.sunriseefficientmarketing.com

ADDRESS OF THE REGISTRAR OF COMPANIES

Our Company is registered with the Registrar of Companies, Ahmedabad located at the following address:

ROC Bhavan, Opp Rupal Park Society,
Behind Ankur Bus Stop, Naranpura,
Ahmedabad-380013, Gujarat, India

BOARD OF DIRECTORS OF OUR COMPANY

Our Company’s Board comprises of the following Directors as set forth in the following table:-

Name	DIN	Designation	Address
Hemantrai Desai	08787617	Chairman and Whole-Time Director	B 802, Suryam Villa, Near Galaxy Circle, Green City Road, Pal Bhatta Chorasi, Surat – 394510, Gujarat, India
Lejas Desai	02488965	Managing Director	B 802, Suryam Villa, Near Galaxy Circle, Green City Road, Pal Bhatta Chorasi, Surat – 394510, Gujarat, India
Mitali Desai	02594823	Joint Managing Director	B 802, Suryam Villa, Near Galaxy Circle, Green City Road, Pal Bhatta Chorasi, Surat – 394510, Gujarat, India
Hiren Shah	09506244	Whole-Time Director	G-11, Balaji Avenue, Judges Bungalow Road, Vastrapur, Ahmadabad city, Ambawadi Vistar, Ahmadabad, Gujarat - 380015

Name	DIN	Designation	Address
Pinkal Pancholi	09506971	Whole-Time Director	65, Radhenagar Society, Opp. Anmol Shopping Center, Ichhanath Road, Surat, Umra, Surat SVR College, Gujarat - 395007
Anurag Harlalka	08733503	Independent Non-Executive Director	B-4, Puja Apartment, Ravi Shankar society, Bhatar Char Rasta, Surat Gujarat 395007
Krishna Lankapati	09505959	Independent Non-Executive Director	42 Khatodara GIDC Behind Subjail Khatodara Sagrampura Putli Surat Gujarat 395002
Prashantkumar Patil	09506276	Independent Non-Executive Director	350, New Ashirwad Villa, New city light road, St Thomas School, Surat City, Surat SVR College, Gujarat - 395007

For detailed profile of our Board of Directors, please refer to the section titled “*Our Management*” on page 141 of this Draft Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Name: Manish Govindbhai Vaghela

Sub Plot No. 2, Block B,
Akash Bhumi Complex,
Village Surat, Gujarat,
India, 394221,

Tel No: 91-9227660504

Email: lejas@sunrisemarketing.net

Website: www.sunriseefficientmarketing.com

Note: Investors can contact our Company Secretary and Compliance Officer, the Lead Manager or the Registrar to the Issue, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode etc.

INVESTOR GRIEVANCES

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

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

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

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

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
FEDEX SECURITIES PRIVATE LIMITED B 7, 3 rd Floor, Jay Chambers, Dayaldas Road, Vile Parle (East), Mumbai - 400 057, Maharashtra, India Tel No: +91 8104985149 Fax No: Not Available Contact Person: Yash Kadakia Email Id: mb@fedsec.in Website: www.fedsec.in Investor Grievance Email: mb@fedsec.in SEBI Registration Number: INM000010163	KFIN TECHNOLOGIES PRIVATE LIMITED Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana Tel No: +91 40 6716 2222 Fax No: +91 40 2343 1551 E-mail Id: seml.ipo@kfintech.com Website: www.kfintech.com Contact Person: M Murali Krishna SEBI Registration No: INR000000221
LEGAL ADVISOR TO THE ISSUE	BANKERS TO THE ISSUE / REFUND BANK /SPONSOR BANK
SHAH ADVOCATES C/3/201, Anushruti Tower, Nr. Jain Temple, Thaltej, Ahmedabad India Tel No: +91-079-26880570/09426837114 Fax No: NA E-mail Id: dshahadvocate@gmail.com Website: www.dshahadvocates.com Contact Person: Dharmesh Shah Bar Council No.: G/754/1991	ICICI Bank Limited Capital Market Division, 1st Floor, 122, Mistry Bhavan, DinshawVachha Road, Backbay Reclamation, Churchgate, Mumbai – 400020 Tel No: 022- 66818911/23/24 Fax No: 022- 22611138 E-mail Id: sagar.welekar@icicibank.com Website: www.icicibank.com Contact Person: Mr. Sagar Welekar SEBI Registration No: INBI00000004
BANKERS TO THE COMPANY	
Axis Bank Address: G.F. 1&2, Helios Nr., Galaxy Circle, Pal, Surat Tel No: +91-9099901916 Fax No: NA E-mail Id: pal.branchhead@axisbank.com Website: www.axisbank.com Contact Person: Nilay Mehta	Standard Chartered Bank Address: Crescenzo, 6 th floor, C-38/39, G-Block, Opp. MCA Club, Bandra Kurla Complex, Mumbai 400051 Tel No: +91 22 42658859 Fax No: +91 22 61159008 E-mail Id: AlokKumar.Thakur@sc.com Website: www.sc.com Contact Person: Alok Kumar Thakur
STATUTORY AUDITOR AND PEER REVIEW AUDITOR	
SBMG & CO., Chartered Accountants* 2002, Rathi Palace, Ring Road, Surat Gujarat 395002, India Tel No: 0261-2343638 Fax No: NA E-mail Id: sbmgandco@gmail.com Website: www.sbmgandco.com Contact Person: CA. Sumit Bihani Firm Registration No: 127756W Membership No: 121551 Peer Review Number: 013977	

**SBMG & CO., Chartered Accountants holds a valid peer review certificate number – 013977 issued by the “Peer Review Board” of the Institute of Chartered Accounts of India, New Delhi.*

SYNDICATE MEMBER

As on the date of this Draft Prospectus, there are no syndicate members.

DESIGNATED INTERMEDIARIES

SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The lists of SCSBs notified by SEBI to act as SCSB for the ASBA process is available on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>. For details of the Designated Branches of SCSBs collecting the Application Forms, please refer to the above-mentioned SEBI link.

The list of banks that have been notified by SEBI to act as SCSBs for the UPI process provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>

The list of Branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the designated intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

REGISTERED BROKERS

In terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, applicant can submit Application Form for the Issue using the stock brokers network of the Stock Exchange, i.e. through the Registered Brokers at the Brokers Centres.

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

REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS (“RTA”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, 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 (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Fedex Securities Private Limited being sole Lead Manager to this Issue, all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them. Hence, a statement of inter-se allocation of responsibilities is not required.

IPO GRADING

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

CREDIT RATING

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

DEBENTURE TRUSTEES

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

MONITORING AGENCY

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

APPRAISING ENTITY

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

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, SBMG & Co., Chartered Accountants, to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their Report on Restated Financial Statements dated February 25, 2022 and Report on Statement of Tax Benefits dated March 07, 2022 and issued by them, included in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

GREEN SHOE OPTION

No Green Shoe Option is contemplated under the Issue.

FILING THE DRAFT PROSPECTUS / PROSPECTUS

The Draft Prospectus and Prospectus shall be filed with the SME platform of BSE Limited (“BSE SME”) situated at PJ Tower, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India. However, pursuant to sub regulation (5) of regulation 246, the soft copy of the Draft Prospectus and the Prospectus shall be furnished to the SEBI, pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. However, SEBI shall not issue any observation on the Draft Prospectus and the Prospectus in terms of Regulation 246(2) of SEBI ICDR Regulations.

A copy of the Prospectus along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be filed to the Registrar of Companies where the registered office of the Company is situated.

For address of Registrar of Companies, please refer to head “*Registrar of Companies*” in the Chapter titled “*General Information*” beginning on page 54 of this Draft Prospectus.

UNDERWRITERS

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being issued through this Issue.

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (in Lakh)	% of the total Issue size Underwritten
NAME	[●]*	[●]	[●]

Name, Address, Telephone, Facsimile, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten	Amount Underwritten (in Lakh)	% of the total Issue size Underwritten
Address: Tel No: Fax No: E-mail Id: Website: Contact Person: SEBI Registration No Investor Grievance Email:			
TOTAL	[●]	[●]	[●]

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

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

CHANGE IN THE STATUTORY AUDITOR SINCE INCORPORATION

Details Of Previous Auditor	Date of Resignation	Details Of New Auditor	Date of Appointment	Reasons
NOT APPLICABLE				

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would Issue a public notice in the newspapers, in which the pre- Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

TYPE OF ISSUE

The present issue is considered to be 100% Fixed Price Issue.

MIGRATION TO MAIN BOARD

Our Company may migrate to the Main board of Stock Exchanges from SME Exchange on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2,500.00 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution wherein the votes cast by the shareholders other than the Promoter 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), our Company shall apply to Stock Exchanges for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of our Company is more than ₹ 1,000.00 lakhs but below ₹ 2,500.00 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligibility criteria for listing laid by the Main Board and if the same has been approved by a special resolution wherein the votes cast by the shareholders other than the Promoter 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 or as per applicable provisions.

DETAILS OF MARKET MAKING ARRANGEMENT FOR THIS ISSUE

Our Company and the Lead Manager has entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of Market Making for this Issue:

Name	[●]
Address	[●]
Tel no	[●]
Fax no	[●]
Email id	[●]
Website	[●]
Contact person	[●]
Sebi Registration no	[●]
Market Making Registration No.	[●]

[●], registered with SME Platform of BSE Limited will act as the market maker and have agreed to receive or deliver the specified securities in the market making process for a period of three (3) 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 fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and as amended 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(s) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of SME Platform of BSE Limited and SEBI from time to time
3. 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. Based on the IPO price of ₹ 121/- per share the minimum bid lot size is 1000 Equity Shares thus minimum depth of the quote shall be 100,000 until the same, would be revised by BSE SME.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

5. 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 Crore	25%	24%
20 to 50 Crore	20%	19%
50 to 80 Crore	15%	14%
Above 80 Crore	12%	11%

6. 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.
7. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
8. There would not be more than five Market Makers for a script at any point of time. These would be selected on the basis of objective criteria to be evolved by the Exchange which would include capital adequacy, net worth, infrastructure, minimum volume of business etc. The Market Makers may compete with other Market Maker for better quotes to the investors. At this stage, [•] is acting as the sole Market Maker.
9. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
10. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
11. The shares of our Company will be traded in continuous trading session from the time and day our company gets listed on SME Platform of BSE Limited and the Market Maker will remain present as per the guidelines mentioned under BSE Limited and SEBI circulars.
12. 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.
13. Once registered as a Market Maker, he has to act in that capacity for a period as mutually decided between the Lead Manager and Market Maker. Once registered as a Market Maker, he has to start providing quotes from the day of the listing/the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the Stock Exchange.
14. The Market Maker shall have the right to terminate said arrangement by giving a three month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker.
15. 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 in replacement during the term of the notice period being served by the Market

Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, 2018. Further our Company and the Lead Manager reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Maker does not exceed five (5) 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.

16. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.

17. **Punitive Action in case of default by Market Makers:** BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

18. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:

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

19. 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 Exchange Platform.

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

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

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

CAPITAL STRUCTURE

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

(Amount ₹ in Lakhs except share data)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price
A.	AUTHORISED EQUITY SHARE CAPITAL		
	50,00,000 Equity Shares of face value of Rs.10.00/- each	500.00	-
B.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	[●]	
	36,20,000 Equity Shares of face value of Rs.10.00/- each	362.00	-
C.	PRESENT ISSUE IN TERMS OF THIS DRAFT PROSPECTUS *		
	Up to [●] Equity Shares of Rs.10.00/- each for cash at price of Rs. 121/- per share	[●]	Upto 1700.00
	Which comprises:	[●]	[●]
	Market Maker Reservation portion: Reservation for Market Maker up to [●] Equity Shares of Rs10.00/- each for cash at price of Rs. [●]/- will be available for allocation to Market Maker	[●]	[●]
	Net Issue to the Public: Net Issue to the Public up to [●] Equity Shares of Rs.10.00/- each for cash at price of Rs. [●]/- per share	[●]	[●]
	Of which:***	[●]	[●]
	Allocation to Retail Individual Investor: Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●]/- per Equity Share i.e. 50% of the Net Issue shall be available for allocation Retail Individual Investors	[●]	[●]
	Allocation to Other than Retail Individual Investors: Up to [●] Equity Shares of face value of Rs. 10.00/- each fully paid up for a cash price of Rs. [●] /- per Equity Share i.e. 50% of the Net Issue shall be available for allocation to other than Retail Individual Investors	[●]	[●]
D.	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE		
	[●] Equity Shares of face value of Rs. 10.00 each	[●]	
E.	SECURITIES PREMIUM ACCOUNT		
	Before the Issue (as on date of Draft Prospectus)		174.30**
	After the Issue	[●]	

*The present Issue has been authorized pursuant to a resolution of our Board of Directors dated February 15, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of the members held on February 15, 2022.

**As on September 30, 2021, the securities premium amount was Nil. The securities premium amount mentioned in the table is after considering the issue of 1,57,025 Equity Shares at a premium of Rs. 111 per share on March 03, 2022, as certified by the statutory auditor of our Company. The Company issued 24,62,975 bonus Equity Shares out of its General Reserve on March 04, 2022,

***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 spillover 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

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

Details of changes in Authorized Share Capital of the Company since incorporation:

Particulars of change	Date of shareholders' meeting	AGM/EOGM
The Authorised Share Capital of our Company is Rs. 1,00,00,000 consisting of 10,00,000 Equity Share of face value of Rs. 10.00/- each	On Incorporation	NA
Increase in Authorised Capital from Rs. 1,00,00,000 to Rs. 5,00,00,000 consisting of 50,00,000 Equity Share of face value of Rs. 10.00/- each	January 15, 2022	EGM

NOTES TO THE CAPITAL STRUCTURE

1. Equity Share Capital history of our Company

a. The history of the Equity Share Capital of our Company is detailed in the following table:

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

Date of Allotment/Issue	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative no. of Equity Shares	Cumulative Paid Up Equity Shares Capital (₹)
On Incorporation	50,000 ⁽ⁱ⁾	10.00	10.00	Cash	Subscription to MOA	5,00,000	50,00,000
August 13, 2020	9,50,000 ⁽ⁱⁱⁱ⁾	10.00	10.00	Cash	Rights Issue	10,00,000	1,00,00,000
March 03, 2022	1,57,025 ⁽ⁱⁱⁱ⁾	10.00	121.00	Other than cash	Preferential Allotment	11,57,025	1,15,70,250
March 04, 2022	24,62,975 ^(iv)	10.00	NA	Other than cash	Bonus Issue	36,20,000	3,62,00,000

i. Initial Subscribers to the MOA subscribed to 50,000 Equity Shares of face value of 10.00/- each as per the details given below:

Sr. No.	Name	No. of Equity Shares
1.	Lejas Desai	24,975
2.	Mitaliben Desai	24,975
3.	Hemantra Desai	10
4.	Pinkal Pancholi	10
5.	Gaurav Desai	10
6.	Jatinkumar Lad	10
7.	Hiteshkumar Chauhan	10
Total		50,000

ii. Further Allotment (Rights Issue) of shares as on August 13, 2020 of 9,50,000 equity shares of face value of Rs 10/- each fully paid-up shares, the details are given below:

Sr. No.	Name	No. of Equity Shares
1.	Lejas Desai	4,75,025
2.	Mitaliben Desai	4,74,975
Total		9,50,000

iii. Further Allotment (Preferential Issue) of shares as on March 03, 2022 of 1,57,025 equity shares of face value of 10/- each fully paid-up shares, the details are given below:

Sr. No.	Name	No. of Equity Shares
1.	Lejas Desai	1,57,025
Total		1,57,025

iii. Further Allotment (Bonus Issue) of shares as on March 04, 2022 of 24,62,975 equity shares of face value of 10/- each fully paid-up shares, the details are given below:

Sr. No.	Name	No. of Equity Shares
1.	Lejas Desai	13,98,618
2.	Mitaliben Desai	10,64,251
3.	Hemantra Desai	22
4.	Pinkal Pancholi	21
5.	Gaurav Desai	21
6.	Jatinkumar Lad	21
7.	Hiteshkumar Chauhan	21
Total		24,62,975

Issue of Equity Shares for Consideration other than Cash.

We have issued 26,20,000 Equity Shares for consideration other than cash the details of such allotment are as follows:

Date of Issue/ Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Name of Allottees	No. of Shares Allotted	Benefits Accrued
March 03, 2022	1,57,025	10	121	Preferential Allotment	Lejas Desai	1,57,025	Conversion of Unsecured Loan
March 04, 2022	24,62,975	10	NA	Bonus Issue	Lejas Desai	13,98,618	Capitalization of Reserves & Surplus. Expansion of Capital.
					Mitaliben Desai	10,64,251	
					Hemantra Desai	22	
					Pinkal Pancholi	21	
					Gaurav Desai	21	
					Jatinkumar Lad	21	
					Hiteshkumar Chauhan	21	

- No Equity Shares have been allotted pursuant to any scheme approved under Section 230-234 of the Companies Act, 2013.
- We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
- Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees.

5. Issue of specified securities at a price lower than the Issue Price in the last year

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

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

7. Shareholding Pattern of our Company and the Equity shares held by them is as follows:

The table below represents the current Shareholding pattern of our Company as on the date of this Draft Prospectus:

Category (I)	Category of Shareholder (II)	No. of Shareholders (III)	No of fully paid up equity shares held (IV)	No of partly paid up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total No of Shares held (VII = IV + V + VI)	Shareholding as a % of total No. of Shares (calculated as per SCRR, 1957 (As a % of (A + B + C2) (VIII)	Number of Voting Rights held in each Class of securities (IX)		No of underlying outstanding convertible securities (incl. Warrants) (X)	Shareholding as a % assuming full convertible securities (as a % of diluted share capital (As a % of (A + B + C2) (XI =VII +X)	Number of Locked in shares (XII)		No. of shares Pledged or Otherwise Encumbered (XIII)		No. of Equity shares held in Demat Form (XIV)
								No of voting Right	Total as % of (A+B +C)			No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
A	Promoter and Promoter Group	3	36,19,876	--	--	36,19,876	99.997	36,19,876	99.997	--	--	--	--	--	--	36,19,876
B	Public	4	124	--	--	124	0.003	124	0.003	--	--	--	--	--	--	124
C	Non-Promoter Non-Public	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
C1	Shares Underlying DRs	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
C2	Shares held by Employee Trusts	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	Total (A+B+C)	7	36,20,000	--	--	36,20,000	100.00	36,20,000	100	--	--	--	--	--	--	36,20,000

**As on the date of this Draft Prospectus 1 Equity Share holds 1 vote*

Note:

- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Shares on the Stock Exchange.
- Our Company will file shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity Shares. The Shareholding pattern will be uploaded on the website of BSE SME platform before commencement of trading of such equity shares.
- In terms of SEBI circular bearing no. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/CIR/ISD/05/2011 dated September 30, 2011 our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to filing the Prospectus with the ROC

8. The share holding pattern of our Promoter and Promoter Group before and after the Issue is set forth below:

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
Promoters (A)				
Lejas Desai	20,55,643	56.79	[●]	[●]
Total (A)	20,55,643	56.79	[●]	[●]
Promoter Group (B)				
Mitali Desai	15,64,201	43.20	[●]	[●]
Hemantra Desai	32	0.00	[●]	[●]
Total (B)	15,64,233	43.20	[●]	[●]
Total (A+B)	36,19,876	99.99	[●]	[●]

9. Details regarding major shareholders:

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

Particulars	Number of Shares	Percentage (%) holding
Lejas Desai	20,55,643	56.79
Mitaliben Desai	15,64,201	43.20
Total	36,19,844	99.99

(b) List of shareholders holding 1% or more of the paid-up capital of our Company two (2) years prior to the date of the Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Not Applicable*		
Total		

*Our Company has been incorporated on July 09,2020, hence details of shareholding of two years prior to the filing of this Draft Prospectus is not available.

(c) List of shareholders holding 1% or more of the paid-up capital of our Company one (1) year prior to the date of the Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Lejas Desai	500000	50.00
Mitaliben Desai	499950	49.99
Total	999950	99.99

(d) List of shareholders holding 1% or more of the paid-up capital of our Company ten (10) days prior to the date of the Draft Prospectus:

Particulars	Number of Shares	Percentage (%) holding
Lejas Desai	500000	50.00
Mitaliben Desai	499950	49.99
Total	999950	99.99

10. 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 the Draft

Prospectus.

11. Our Company presently does not have any intention, proposal, negotiation or consideration to alter its capital structure within a period of six (6) months from the date of Issue Opening Date, by way of split/ consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise or issue of bonus or rights, except that if we acquire companies / business or enter into joint venture(s) or for any regulatory compliance, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.

12. Details of our Promoters' Shareholding

As on the date of this Draft Prospectus, our Promoter Lejas Desai holds 20,55,643 Equity Shares, constituting 56.79 % of the pre- issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of our Promoters' shareholding in our Company

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration (Cash/ Other than Cash)	Nature Allotment	% of pre issue equity share capital	% of post issue equity share capital
Name of promoter: Lejas Desai							
July 09, 2020	24,975	10	10	Cash	Subscription to MOA	0.69	[●]
August 13, 2020	4,75,025	10	10	Cash	Rights Issue	13.12	[●]
March 03, 2022	1,57,025	10	121	Other than cash	Preferential Allotment	4.34	[●]
March 04, 2022	13,98,618	10	NA	Other than cash	Bonus Issue	38.64	[●]
Total	20,55,643	10	--	--	--	56.79	[●]

13. All the Equity Shares allotted and held by our Promoter were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoter are subject to any pledge.

14. The average cost of acquisition of or subscription to Equity Shares by our Promoter are set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average cost of Acquisition (in ₹) *
Lejas Desai	20,55,643	35.25

**As certified by our Statutory Auditor vide their certificate dated March 10, 2022.*

15. As on date of filing Draft Prospectus, our Company has 7 (Seven) shareholders.

16. Acquisition and sale/transfer of Equity Shares by our Promoter in last six (6) months

Except as stated above in point 12 "*Build-up of our Promoters' shareholding in our Company*", there has been no acquisition, sale or transfer of Equity Shares by our Promoter during last 6 months preceding the date of filing of this Draft Prospectus.

17. No financing arrangements have been entered 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 Draft Prospectus.

18. 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 Promoter shall be locked-in for a period of three years from the date of Allotment in this Issue. As on date of this Draft Prospectus, our Promoter holds [●] Equity Shares constituting [●] % of the post Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoters' Contribution.

Our Promoter has granted consent to include such number of Equity Shares held by him as may constitute of the post issue Equity Share capital of our Company as Promoters' Contribution and has 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 Draft Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and his lock-in details are as follows:

Date of Allotment/transfer/ made fully paid up	Nature of acquisition	Number of Equity Shares	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	% Of Pre-Issue Equity Share Capital	% Of Post-Issue Equity Share Capital	Lock-in Period
Lejas Desai							
[●]	[●]	[●]	[●]	[●]	[●]	[●]	03 Years
[●]	[●]	[●]	[●]	[●]	[●]	[●]	01 Year
Total	[●]	[●]	[●]	[●]	[●]	[●]	

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:

- (i) The Equity Shares acquired during the three years preceding the date of this Draft Prospectus
 - for consideration other than cash and revaluation of assets or capitalization of intangible assets, or
 - bonus shares issued out of revaluations reserves or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoter's Contribution;
- (ii) The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue is not part of the minimum promoter's contribution;
- (iii) The Equity Shares held by the Promoter that are subject to any pledge or any other form of encumbrance.

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

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

Promoters' Contribution constituting [●] Equity Shares which is [●] % of the post issue capital shall be locked-in for a period of three years from the date of Allotment of the Equity Shares in the Issue.

- (iv) 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.

19. Equity Shares locked-in for one year other than Minimum Promoters' Contribution.

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

20. 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.

21. Pledge of Locked in Equity Shares

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoter 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 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.

22. Transferability of Locked in Equity Shares

- a) In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable;
- b) The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- c) The equity shares held by persons other than promoter and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period

stipulated has expired.

- 23.** 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.
- 24.** As on date of the Draft 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 shall be issued fully paid-up equity shares.
- 25.** 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 Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021.
- 26.** Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
- 27.** As per RBI regulations, OCBs are not allowed to participate in this Issue.
- 28.** Our Company has not raised any bridge loans.
- 29.** There are no Equity Shares against which depository receipts have been issued.
- 30.** The Issue Price has been determined by our Company and the Promoter, in consultation with the Lead Manager
- 31.** Our Promoter and the members of our Promoter Group will not participate in this Issue.
- 32.** There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
- 33.** As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares in 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.
- 34.** Our Company will ensure that any transactions in the Equity Shares by the Promoter and the Promoter Group between the date of filing this Draft Prospectus and Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

SECTION - IV – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue of upto [●] Equity Shares by our Company aggregating up to ₹ 1700.00 Lakhs ("Fresh Issue").

Our Company proposes to utilize the Net Proceeds from the issue towards the following objects:

1. Meeting incremental working capital requirements; and
2. General corporate purposes

(Collectively referred to as "**Objects**")

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange, our Company's visibility, brand name and create a public market for our Equity Shares in India.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company in the Issue. The fund requirement and its deployment are based on estimates made by our management and such estimates have not been subjected to appraisal by any bank or financial institution.

Net Proceeds

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

Particulars	Estimated Amount
Gross proceeds of the Fresh Issue	[●]
Less: Issue related expenses	[●]

** To be updated in the Prospectus prior to the filing with RoC*

REQUIREMENT OF FUNDS AND UTILIZATION OF NET PROCEEDS

Particulars	Amount (₹ in Lakhs) *
Meeting incremental working capital requirements*	[●]
General corporate purposes*#	[●]
Total	[●]

** To be updated in the Prospectus prior to the filing with RoC*

The amount utilized for general corporate purpose shall not exceed 25% of the gross proceeds of the issue.

We may have to revise our expenditure and fund requirement as a result of variations in cost estimates on account of variety of factors such as changes in our financial condition, business or strategy as well as external factors which may not be in our control and may entail rescheduling and revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. In case of any surplus after utilization of the Net Proceeds for the stated objects, including any surplus unutilized issue related expenses, we may use such surplus towards general corporate purposes. To the extent our Company is unable to utilize any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be done through internal accruals through cash flows from our operations and debt. In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects of the Issue, we may explore a range of options including utilizing our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

The above estimates are based on current conditions and are subject to revisions in light of changes in external circumstances or costs, or our financial condition, business or strategy. For further details of factors that may affect these estimates, see section titled “*Risk Factors*” on beginning on page no. 24 of this Draft Prospectus.

Schedule of implementation and Deployment of Net Proceeds

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

(₹ in Lakhs)

Particulars	Amount already deployed	Amount to be funded from Net Proceeds	Estimated utilisation of Net Proceeds	
			Fiscal 2021-22	Fiscal 2022-23
Meeting incremental working capital requirements	[●]	[●]	[●]	[●]
General corporate purposes*	[●]	[●]	[●]	[●]
Net Proceeds of the issue	[●]	[●]	[●]	[●]

* To be updated in the Prospectus prior to the filing with RoC

* The amount utilized for general corporate purposes shall not exceed 25% of the Net Proceeds of the Fresh Issue

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described in the Financial Year 2022-23 & 2023-24. In the event that the estimated utilization of the Net Proceeds in financial year 2023-24 is not completely met, the same shall be utilized, in part or full, in the next financial year or a subsequent period towards the Objects.

Means of Finance

The fund requirements, the deployment of funds and the intended use of the Net Proceeds, as indicated above, are based on our current business plan and circumstances, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change from time to time. These fund requirements have not been appraised by any bank, financial institution or any other external agency. Our Company may have to revise its funding requirements and deployment on account of a variety of factors, including but not limited to our financial and market condition, business and strategy, competition, interest or exchange rate fluctuations 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 our management, subject to applicable law.

In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to availability and compliance with applicable laws. Further, in case of shortfall in the Net Proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking additional equity and/or debt arrangements from existing and future lenders or any combination of them. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for (i) general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations; or (ii) towards any other object where there may be a shortfall, at the discretion of the management of our Company and in compliance with applicable laws.

In the event the Net Proceeds are not completely utilised for the objects stated above by the end of Financial Year 2023-24, such amounts will be utilised (in part or full) in subsequent periods, as determined by our Company, in accordance with applicable law. Further, if the Net Proceeds are not completely utilised for the objects during the respective periods stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Offer; (iii) market conditions outside the control of our Company; and (iv) any other commercial considerations, the remaining Net Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company, in accordance with applicable laws.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “*Risk Factors*” beginning on page 24 of this Draft Prospectus.

Fund requirements for the Objects are proposed to be met from the Net Proceeds and our internal accruals. Accordingly, we confirm that there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI of the SEBI ICDR Regulations 2018 through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue or through existing identifiable internal accruals.

Details of objects of the fresh issue

1. *Meeting incremental working capital requirements*

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, networth, financing from various banks and financial institutions, unsecured loans from body corporates, Directors & shareholders. As on March 31, 2021, the amount outstanding on our Company’s fund based working capital facilities was ₹ 572.03 Lakhs, as per Restated Financial Statements. As on September 30, 2021, our outstanding working capital facilities comprised fund-based limit of ₹ 788.86 Lakhs

Our Company requires additional working capital for executing its future orders that may be received, for funding future growth requirements of our Company and for other strategic, business and corporate purposes.

Set forth below are the current assets and working capital requirement of our Company as on March 31, 2021 as per the Restated Financial Statement and as certified by SBMG & Co. Chartered Accountant by way of their certificate dated February 25, 2022. For details of the working capital facilities availed by us, see “*Financial Indebtedness*” on page 215 of this Draft Prospectus

Basis of estimation of incremental working capital requirement

Details of Company's working capital as at March 31, 2021 and the source of funding, on the basis of Restated Financial Information of our Company as at March 31, 2021 as set out in the table below:

(₹. In lakhs)

Sr No	Particulars	As at September 30, 2021 (Audited)	As at March 31, 2021 (Audited)
I	Current assets		
	Inventories	648.03	457.02
	Trade receivables	1,565.16	1,099.14
	Cash and Bank balance	7.45	1.29
	Short Term Loans & Advances & Other Current Assets	28.40	75.52
	Total Current Assets (A)	2,259.28	1,642.97
II	Current liabilities		
	Trade payables	744.86	838.19
	Other Current Liabilities	101.41	9.85
	Total current liabilities (B)	846.27	848.04
	Net working capital (A – B)	1413.01	794.93
III	Sources of funds		
	Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	788.86	572.03
	Long Term Borrowings	193.42	104.53
	Internal accruals / Equity	430.73	118.37
	Total Means of Finance	1413.01	794.93

Cash and cash equivalents have not been considered as part of the current assets in the computation of net working capital requirements

Current maturities of long-term debt have not been considered as part of the current liabilities in the computation of estimated net working capital requirements

*Certified by SBMG & Co., Chartered Accountants, pursuant to their certificate dated March 10, 2022 bearing UDIN: 22121551AEPHBR5562

For further details, please refer to "Restated Financial Statement" on page 165, respectively.

Expected working capital requirements

The estimates of the working capital requirements for the Financial Years ended March 31, 2022, March 31, 2023 and March 31, 2024 have been prepared based on the management estimates of current and future financial performance. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated [●], 2022 has approved the projected working capital

requirements for Financial Year 2022, Financial Year 2023 and Financial Year 2024, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

Details of the Company's projected working capital requirements for Financial Year 2022, Financial Year 2023 and Financial Year 2024, together with the assumptions and justifications for holding levels, and the proposed funding of such working capital requirements, are as set forth below:

(₹. In lakhs)

Sr No	Particulars	FY 2022 (Estimated)	FY 2023 (Estimated)
I	Current assets		
	Inventories	[●]	[●]
	Trade receivables	[●]	[●]
	Cash and Bank balance	[●]	[●]
	Short Term Loans & Advances & Other Current Assets	[●]	[●]
	Total Current Assets (A)	[●]	[●]
II	Current liabilities		
	Trade payables	[●]	[●]
	Other Current Liabilities	[●]	[●]
	Total current liabilities (B)	[●]	[●]
III	Net working capital requirements (A – B)	[●]	[●]
	Sources of funds		
	Borrowings from banks, financial institution and non-banking financial companies (including bill discounting)	[●]	[●]
	Unsecured Borrowings	[●]	[●]
	Internal accruals / Equity	[●]	[●]
	Issue Proceeds		

** Cash and cash equivalents have not been considered as part of the current assets in the computation of estimated net working capital requirements

Current maturities of long-term debt have not been considered as part of the current liabilities in the computation of estimated net working capital requirements

Our Company proposes to utilize ₹ [●] from the Net Proceeds towards funding our working capital requirements. In addition to the Net Proceeds, our Company expects that the funding pattern for working capital requirements for Fiscals 2023 and 2024 will comprise of working capital facilities and internal accruals.

The table below contains the details of the holding levels (in number of days or relevant matrix as applicable) considered and is derived from the Restated Financial Information for Fiscal 2021 and for the six months ended September 30, 2021, the projections for Fiscal 2022, Fiscal 2023 and Fiscal 2024 and the assumptions based on which the working plan projections has been made and approved by our Board of Directors.

Assumptions for our estimated working capital requirement:

(in days)

Particulars	Holding Levels (March 31, 2024)	Holding Levels (March 31, 2023)	Holding Levels (March 31, 2022)	Holding Levels (September 30, 2021)*	Holding Levels (March 31, 2021)*
Inventories	[●]	[●]	[●]	49.22	50.03
Trade receivables	[●]	[●]	[●]	95.5	111.44
Other Financial & Current Assets	[●]	[●]	[●]	0.62	1.01
	[●]	[●]	[●]	145.36	162.48
Current Liabilities (excluding borrowings and income tax liabilities)					
Trade payables	[●]	[●]	[●]	6.19	1.00
Other Current Liabilities	[●]	[●]	[●]	56.57	84.98
				62.76	85.98
Working Capital Cycle	[●]	[●]	[●]	82.59	76.50

Certified by SBMG & Co., Chartered Accountants, pursuant to their certificate dated March 10, 2022 bearing UDIN: 22121551AEPHBR5562

The table below sets forth the key assumptions for our working capital projections:

S. No.	Particulars	Assumptions (No. of days)
1.	Inventories	[●]
2.	Trade receivables	[●]
3.	Trade payables	[●]

2. General Corporate Purposes

The Net Proceeds will first be utilized for the Object set out above, post which, our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds, includes but are not restricted to strategic initiatives, meeting funding requirements for expansion of our business operations and growth opportunities, strengthening marketing capabilities and brand building exercises, providing security deposits and cash collaterals and for meeting exigencies, repayment of debt, working capital requirements, expenses of our Company, as applicable and any other purpose, as may be approved by the Board or a duly constituted committee thereof subject to compliance with Companies Act and other applicable laws. Our Company's management shall have flexibility in utilising surplus amounts, if any. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure, as may be considered expedient, and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act and the SEBI Listing Regulations.

Means of Finance

The fund requirements set out above are proposed to be funded from the Net Proceeds. Accordingly, we confirm that there are no requirements to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations 2018 and Clause 9(C) of Part A of Schedule VI 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 from Offer. In case of shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilising our internal accruals and/ or availing further borrowings. Subject to applicable law, if the actual utilisation towards the Objects, including utilization towards Issue expense, is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds in accordance with SEBI ICDR Regulations

The details of indicative expenses intended to be incurred from the IPO proceeds are as follows:

The total expenses of the Issue are estimated to be approximately ₹ [●] Lakhs

Issue Related Expenses

The Estimated Expenses are as follows:

Activity *	Estimated Expenses (₹ in Lakhs)	As a % of total estimated issue related expenses	As a % of the total issue size
Lead Manager Fees including Underwriting Commission*	[●]	[●]	[●]
Brokerage, Selling, Commission and upload fees	[●]	[●]	[●]
Registrar to the Issue	[●]	[●]	[●]
Legal and Other Advisory Services *	[●]	[●]	[●]
Advertising and marketing Expenses	[●]	[●]	[●]
Regulators including Stock Exchange	[●]	[●]	[●]
Printing and Distribution of issue stationery	[●]	[●]	[●]
Others, if any (Market making, depositories, marketing fees etc.)	[●]	[●]	[●]
Total estimated issue related expenses	[●]	[●]	[●]

** As on date of this Draft Prospectus, the fund deployed out of internal accruals as on March 10, 2022 is Rs. 20.81 Lakhs towards issue expenses vide certificate dated March 10, 2022 having UDIN 22121551AEPGFQ1110 received from SBMG & Co., Chartered Accountants and the same will be recouped out of issue expenses.*

Notes:

1. To be updated in the Prospectus prior to the filing with RoC
2. Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Issue is made as per Phase I of UPI Circular)	₹ 10 per application on wherein shares are allotted
Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them)	₹ 10 per application on wherein shares are allotted
Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank	₹ 10 per application on wherein shares are allotted

Sponsor Bank shall be payable processing fees on UPI application processed by them	₹ 10 per application on wherein shares are allotted
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3. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
4. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
5. Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.

Interim use of Net Proceeds

Pending utilization for the purposes described above, we undertake to temporarily invest the funds from the Net Proceeds only with the scheduled commercial banks for the necessary duration. Such deposits will be approved by our Board from time to time. Our Company confirms that, pending utilization of the Net Proceeds for the purposes described above, it shall not use the funds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds

Appraisal Report

None of the Objects of the Issue for which the Net Proceeds will be utilized has been appraised by any agency

Monitoring Utilization of Funds

Since our issue size, does not exceeds one hundred crore rupees, we are not required to appoint monitoring agency for monitoring the utilization of Net Proceeds in accordance with Regulation 262(1) of SEBI ICDR Regulations

Our Audit Committee shall monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the Net Proceeds, including interim use, under a separate head specifying the purpose for which such proceeds have been utilized along with details, if any in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue in our balance sheet for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32(5) of the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the uses and application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilized for purposes other than those stated in this Draft Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilized in full. The statement shall be certified in accordance with Regulations 32(5) of the SEBI Listing Regulations. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above and details of category wise variation in the actual utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details

in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act 2013 and the SEBI ICDR Regulations, our Company shall not vary the Objects of the Fresh Issue unless our Company is authorized to do so by way of a special resolution of its Shareholders. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013. Pursuant to the Companies Act 2013, the Promoters or controlling Shareholders will be required to provide an exit opportunity to the Shareholders who do not agree to such proposal to vary the objects, subject to the provisions of the Companies Act 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act 2013 and provisions of the SEBI ICDR Regulations

Other Confirmation

There are no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Personnel. No part of the Net Proceeds will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Companies or Key Managerial Personnel. Our Company has not entered into and is not planning to enter into any arrangement/agreements with our Promoters, Directors, Key Managerial Personnel or our Group Companies in relation to the utilization of the Net Proceeds.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ 121.00 per Equity Share is determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is ₹ 10 per Equity Share. The Issue Price is 12.1 times the face value.

Investors should refer sections / section titled “Risk Factors”, “Business Overview”, “Restated Financial Statements” and “Management Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 24, 108, 165 and 210 respectively of this Draft Prospectus to get an informed view before making an investment decision. The trading price of the Equity shares of our Company could decline due to risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors, which form the basis for computing the price, are:

1. Long standing association with leading consumer brands with a low customer concentration;
2. Deep knowledge and understanding of optimal product assortment and strong supplier network enabling procurement at predicable and competitive pricing, leading to an overall efficient cycle;
3. Healthy financial performance;
4. Experienced management and dedicated employee base with a proven track record;
5. Minimum capex required as manufacturing undertaken through Leased facility or on job work basis;
6. Diverse product portfolio with focus on quality;
7. Location Advantage.

For further details, refer heading “Our Competitive Strengths” under section titled “Business Overview” beginning on page 108 of this Draft Prospectus.

Quantitative Factors

Information presented below relating to the Company is based on the Restated Financial Statements for the period ended September 30, 2021 and for the Financial Year 2021. Some of the quantitative factors which form the basis or computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS)

Year / Period ended	Pre-Bonus		Post-Bonus	
	Basic Diluted EPS	EPS and Weights	Basic Diluted EPS	EPS and Weights
March 31, 2021	2.10	1	0.61	1
Sept 30, 2021 (not annualised)	31.24		9.98	

Note.

- Basic and diluted Earnings per share calculations are in accordance with Indian GAAP and Accounting Standard as applicable and based on the Restated Financial Statement of our Company.
- Basic and Diluted EPS = Net Profit (Loss) after tax as restated attributable to Equity Shareholders / weighted average no. of equity shares outstanding during the year (Post effect of bonus) /period as per Restated Financial Statement

- *Weighted Average EPS = Aggregate of Year wise weighted EPS divided by the Aggregate weights i.e [(EPS *Weights) for each year / Total Weights]*
- *The above statement should be read with significant accounting policies and notes on Restated Financial Information as appearing in the Restated Financial Statements.*

2. Price to Earnings (P/E) ratio in relation to Issue Price ₹ 121 per Equity Share of ₹ 10 each fully paid up

Particulars	P/E ratio
P/E ratio based on Basic & Diluted EPS for FY 2020-21 (Pre Bonus)	[●]
P/E ratio based on Basic & Diluted EPS for FY 2020-21 (Post Bonus)	[●]
Industry Peer Group P/E ratio	
Highest	NA
Lowest	NA
Average	NA

Note- We believe there are no listed peer group comparable companies in India which are engaged in similar line of business of trading of motors, lubricant oil, gear. Further, there are no listed entities which are focused exclusively on the segment in which we operate.

3. Return on Net worth (RoNW)

Return on Net Worth (RoNW) as per restated financial statements (Standalone)

Year Ended	RONW (%)	Weight
March 31, 2021	15.52%	1
Sept 30, 2021*	72.52%	NA

** Not Annualised*

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

- 1) Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year/period end.*
- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*
- 3) Net worth is aggregate value of the paid-up share capital of the Company and other equity, excluding revaluation reserves if any, as per Restated Financial Information.*

4. Net Asset Value (NAV)

Particulars	Pre-Bonus (₹ Per Share)	Post- Bonus (₹ Per Share)
Net Asset Value per Equity Share as of March 31, 2021	11.84	3.94
Net Asset Value per Equity Share as of Sept 30, 2021	43.07	13.77
Net Asset Value per Equity Share after IPO	[●]	
Issue Price per equity share	121	

Net Asset Value per Equity Share has been calculated as net worth, as restated, as at period/year end / Number of outstanding equity shares as at period/ year end.

Note: The figures disclosed above are based on the Restated Financial Statement of our Company

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

$$\text{NAV} = \frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Outstanding number of Equity shares outstanding during the year / period}}$$

5. Comparison with industry peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry P/E ratio.

6. The Issue price is 12.1 times of the face value of the Equity Shares

The Issue Price of ₹ 121 per equity share has been determined by the Company in consultation with the lead manager on the basis of an assessment of market demand for the equity shares through the fixed price issue process and on the basis of qualitative and quantitative factors.

Prospective investors should read the above-mentioned information along with “*Risk Factors*”, “*Business Overview*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Restated Financial Statement*” on pages 24, 108, 210 and 165, respectively, to have a more informed view. The trading price of the equity shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors
SUNRISE EFFICIENT MARKETING LIMITED
Sub Plot No.2, Block B,
Akash Bhumi Complex Village,
Surat-M. Corp 394221,
Gujarat, India.

Dear Sir,

Sub: Statement of possible special tax benefits ("the Statement") available to Sunrise Efficient Marketing Limited ('the Company') and its Shareholders prepared in accordance with the requirements of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended ("the Regulations").

We report that the enclosed statement in the Annexure I & II (together "the Annexures"), states the possible special tax benefits under direct and indirect tax laws presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexures are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest in the Issue based on this statement. Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

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

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

We hereby give consent to include this statement of special tax benefits in the draft prospectus and prospectus and in any other material used in connection with the Issue (together, the "Issue Documents").

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents, and for the submission of this certificate as may be necessary, to any regulatory / statutory/ judicial authority, stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any Defense the Lead Manager may wish to advance in any claim or proceeding in connection with the contents of the Issue Documents.

This certificate may be relied on by the Lead Manager, their affiliates and legal counsel in relation to the Issue.

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

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

For SBMG & Co.

Chartered Accountants

Ca Sumit Bihani

(Partner)

Membership No.: 121551

Firm Regn. No.: 127756W

Place: Surat

Date: 07.03.2022

UDIN: 22121551AEILJE8543

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 (the “Act”) as amended by the Finance Act, 2020 applicable for the Financial Year 2020-21 relevant to the Assessment Year 2021-22, presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME-TAX ACT, 1961 (THE “ACT”)

The Company is entitled to 80GGB - special tax benefits under the income tax act. The provision of 80GGB states that *“In computing the total income of an assessee, being an Indian company, there shall be deducted any sum contributed by it, in the previous year to any political party or an electoral trust. Provided that no deduction shall be allowed under this section in respect of any sum contributed by way of cash”*.

The company had availed deduction under 80GGB amounting to Rs.2,50,000.00 paid through bank transaction for the F.Y.2020-21 relevant to A.Y.2021-22.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME-TAX ACT, 1961 (THE “ACT”)

The Shareholders of the Company are entitled to special tax benefits under the Act.

The shareholders can avail the deduction under chapter VI-A of the income tax act (i.e under 80G,80C,80D,80TTA, etc.)

The deduction under 80G can be availed by the assessee who pays any sum as donation to eligible funds or institutions, is entitled to a deduction, subject to certain limitations from the gross total income.

The deduction under 80C can be availed if the assessee had made investment in PPF, EPF, LIC premium, Equity linked saving scheme, principal amount payment towards home loan, stamp duty and registration charges for purchase of property, Sukanya smridhi yojana (SSY), National saving certificate (NSC), Senior citizen savings scheme (SCSS), ULIP etc. during the financial year.

The deduction under 80D can be availed by the assessee (Individual or HUF) a claim a deduction of Rs. 25,000 on insurance for self, spouse and dependent children. An additional deduction for insurance of parents is available up to Rs 25,000, if they are less than 60 years of age.

The shareholders have also availed the benefit of new tax slab range under the 115BAC of the income tax act. The basic feature of this new tax regime is lower tax rates as compared to existing slab rates but on the other hand the assessee has to forego around 70 exemptions and deductions presently available.

The tax rates under the New Tax Regime as per the section 115BAC are as under: -

TOTAL INCOME	INCOME TAX
UPTO RS.250000	NIL
FROM RS.250001-RS.500000	5%
FROM RS.500001-RS.750000	10%
FROM RS.750001-RS.1000000	15%
FROM RS.1000001-RS.1250000	20%
FROM RS.1250001-RS.1500000	25%
ABOVE RS.1500001	30%

The shareholders can also avail special tax benefit scheme under the income tax act like Rebate on Agriculture income. The complete rebate on agriculture income is possible if:

- 1) Total agriculture income is < Rs.5000.00

- 2) The income from agriculture land is the only source of your income.
- 3) Assessee has both agriculture and other income. But the total income (excluding the agriculture income is less than basic exemption limit)

Further, the shareholders can also avail Rebate under 87A of the income tax act as a special tax benefit scheme. The deduction can be availed up to Rs. 12,500.00 if the Total net Income of the assessee is up to Rs.5,00,000.00

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. 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 undertake to update you in writing of any changes in the abovementioned position until the date the Equity Shares issued pursuant to the Issue commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges; you may assume that there is no change in respect of the matters covered in this certificate.

For SBMG & Co.

Chartered Accountants

CA Sumit Bihani
(Partner)
Membership No.: 121551
Firm Regn. No.: 127756W
Place: Surat
Date: 07.03.2022
UDIN: 22121551AEILJE8543

ANNEXURE II TO THE STATEMENT OF TAX BENEFITS

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

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

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDER

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

Note:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant indirect tax law benefits and does not cover any direct tax law benefits or benefit under any other law.

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 Draft Prospectus/Prospectus.

For SBMG & Co.

Chartered Accountants

Ca Sumit Bihani

(Partner)

Membership No.: 121551

Firm Regn. No.: 127756W

Place: Surat

Date: 07.03.2022

UDIN: 22121551AEILJE8543

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

Industry publications are prepared based on information as at specific dates and may no longer be current or reflect current trends. The information in this section is also derived from extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. The information has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The data may have been re-classified by us for the purposes of presentation.

Accordingly, investment decisions should not be based on such information. For additional details, including the disclaimers associated with the Industry Report, see “Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data” on page 16 of this Draft Prospectus.

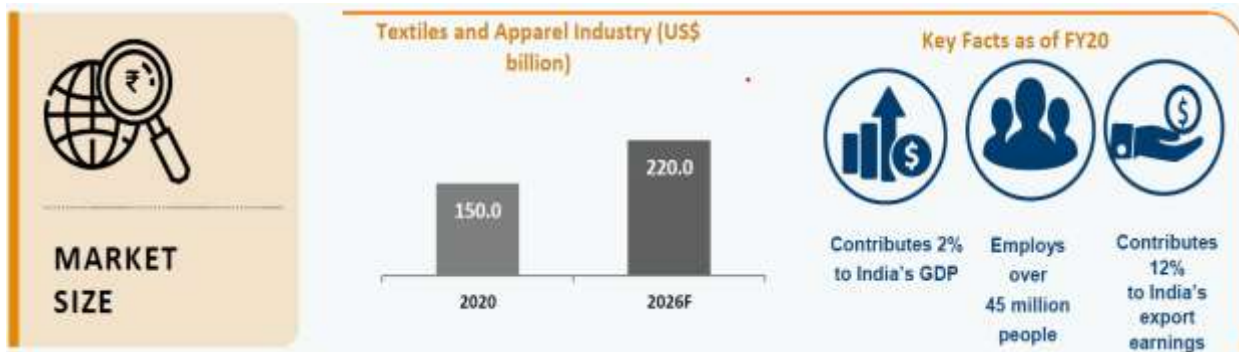
INTRODUCTION

India’s textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The decentralised power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India’s textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world.

MARKET SIZE

India’s Textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. The industry contributed 7% to the industry output (by value) in 2018-19. The Indian textiles and apparel industry contributed 2% to the GDP, 12% to export earnings and held 5% of the global trade in textiles and apparel in 2018-19. Exports of textiles (RMG of all textiles, cotton yarns/fabs./made-ups/handloom products, man-made yarns/fabs./made-ups, handicrafts excl. handmade carpets, carpets and jute mfg. including floor coverings) stood at US\$ 22.89 billion between April 2021 and October 2021.



The Indian textiles market is expected to be worth >US\$ 209 billion by 2029.

India’s home textile exports grew at a healthy rate of 9% in FY21 despite the pandemic.

WORLD ECONOMIC OUTLOOK

The global economic recovery is continuing, even as the pandemic resurges. The fault lines opened up by COVID-19 are looking more persistent—near-term divergences are expected to leave lasting imprints on medium-term performance. Vaccine access and early policy support are the principal drivers of the gaps. The global economy is projected to grow 5.9 percent in 2021 and 4.9 percent in 2022, 0.1 percentage point lower for 2021 than in the July forecast.

Global GDP review and outlook While global gross domestic product (GDP) declined sharply in 2020 owing to the Covid-19 pandemic, it is expected to rebound strongly by the end of calendar year 2021 on account of policy support and the vaccination drive and grow at a CAGR of ~4-5% between CY20-25. According to the International Monetary Fund (IMF), global real GDP grew at 3-4% compound annual growth rate (CAGR) from calendar year 1990-2020. The IMF estimated global real GDP de-grew 3.2% in 2020 owing to the pandemic, which has disrupted businesses across the world. In response, almost all major countries had announced stimulus packages, which resulted in a recovery in the second half of 2020. The slowing down of the economy in 2020 resulted in a lower CAGR of just ~2% between 2015 and 2020.

Gaps in expected recoveries across economy groups have widened since the July forecast, for instance between advanced economies and low-income developing countries. 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. 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. Strong policy effort at the multilateral level is needed on vaccine deployment, climate change, and international liquidity to strengthen global economic prospects. National policies to complement the multilateral effort will require much more tailoring to country-specific conditions and better targeting, as policy space constraints become more binding the longer the pandemic lasts.

(Source: www.imf.org)



MACROECONOMIC OVERVIEW OF INDIA

A review of India's GDP growth GDP grew at 6.6% CAGR from fiscals 2012-20 In 2015, the Ministry of Statistics and Programme Implementation (MoSPI) changed the base year for calculating India's GDP between fiscals 2005 and 2012. Based on this, the country's GDP increased at an eight year CAGR of 6.6% to Rs 146 trillion in fiscal 2020 from Rs 87 trillion in fiscal 2012.

Fiscal 2021 has been a challenging year for the Indian economy, which was already experiencing a slowdown before the pandemic struck. GDP contracted 7.3% (in real terms) last fiscal, after growing 4.0% in fiscal 2020. At Rs 135.1 billion in fiscal 2021, India's GDP (in absolute terms) went even below the fiscal 2019 level of Rs 140.0 billion.

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

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.

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.

(Source: www.ibef.org)

INVESTMENTS AND KEY DEVELOPMENTS

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US\$ 3.75 billion from April 2000 to March 2021.

Companies in home textile are using technology to optimise the value chain. For example, in October 2021, Welspun India introduced Wel-Trak 2.0—an upgraded, patented end-to-end traceability technology—to track textile raw materials throughout the supply chain.

Home textile companies in India are also leveraging strategic partnerships to strengthen their business operations and foothold in the country.

GOVERNMENT INITIATIVES

Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

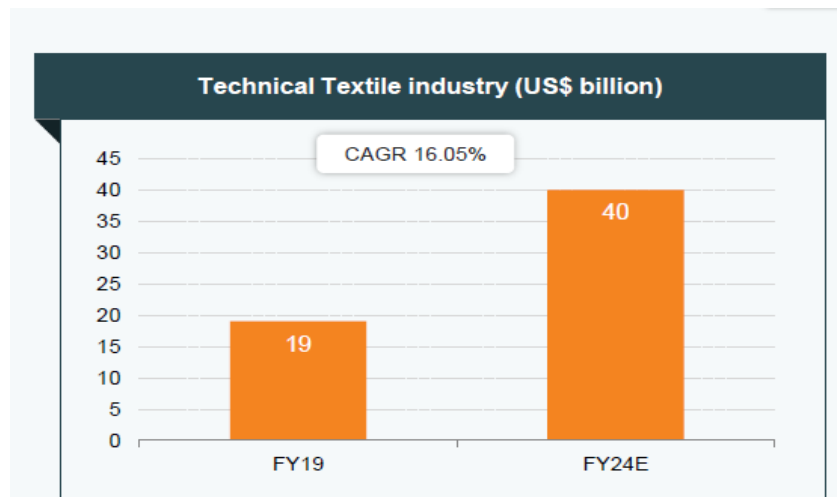
Other Initiatives taken by Government of India are:

- The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which will come into effect from January 1, 2022.
- In October 2021, Union Minister for Commerce and Industry, Textiles, Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, announced the creation of 100 textile machinery champions in the country and to promote it in the global market. Through this, the government aims to make India a global player in textiles machinery.
- In October 2021, the government introduced SAMARTH training at 75 training centers across the country, to accelerate the scheme's coverage among artisans.
- The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16 and FY22 for the 'Amended Technology Up-gradation Fund Scheme' (A-TUFS), to boost the Indian textile industry and enable ease of doing business.
- Techtextil India, a trade fair focused on technical textiles, nonwovens and composites will be held from 25th to 27th November 2021 in Mumbai. Tamil Nadu government signed up for Techtextil India 2021 to strengthen indigenous textile production and attract textile investments into the State. The State government will be promoting technical textile policies through both physical and virtual segments of the hybrid fair organised by the Messe Frankfurt Trade Fairs India
- In April 2021, Union Minister Smriti Irani has assured strong support from the Textile Ministry to reduce industry's dependence on imported machine tools by partnering with engineering organisations for machinery production. She also stated that the PLI scheme for the textile industry is almost ready. The scheme aims to develop Man Made Fiber (MMF) apparel and technical textiles industry by providing incentive from 3-15% on stipulated incremental turnover for five years.
- In March 2021, The Ministry of Textiles favoured limited deal for the India-UK free trade agreement that could boost the garments sector.
- In 2020-21, the UK is India's fourteenth largest trading partner, accounting for US\$ 8.7 billion in exports and US\$ 6.7 billion in imports.
- Under the proposed trade agreement, the Textile Ministry expects more market access for the Indian textiles and clothing sector in order to achieve its full potential.

- Effective 01 January 2021, to boost exports, government have extended the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all exported goods.
- In March 2021, while addressing the 9th edition of TECHNOTEX 2021 organized by FICCI, General Bipin Rawat, Chief of Defence Staff appreciated the innovations in Indian technical textile and stated that the armed forces will rather reduce imports and instead procure technical textiles from Indian industries as a part of the Atmanirbhar Bharat initiative.
- On September 2, 2020, the Union Cabinet approved signing an MOU between textile committee, India and M/s Nissenken Quality Evaluation Centre, Japan, for improving quality and testing Indian textiles and clothing for the Japanese market. This India-Japan pact on cooperation in textiles will facilitate Indian exporters to meet the requirements of Japanese importers as per the latter's technical regulations.
- Under Union Budget 2020-21, a National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs. 1,480 crore (US\$ 211.76 million).
- In 2020, New Textiles Policy 2020 is expected to be released by the Ministry of Textiles.
- The Directorate General of Foreign Trade (DGFT) has revised rates for incentives under the Merchandise Exports from India Scheme (MEIS) for two subsectors of Textiles Industry - readymade garments and made-ups - from 2% to 4%.
- The Government of India has taken several measures including Amended Technology Up-gradation Fund Scheme (A-TUFS), estimated to create employment for 35 lakh people and enable investment worth Rs. 95,000 crore (US\$ 14.17 billion) by 2022.

TECHNICAL TEXTILE INDUSTRY - A NEW ARENA OF GROWTH

- Technical textile industries major service offerings include thermal protection and blood-absorbing materials, seatbelts, adhesive tapes. Healthcare and infrastructure sectors are major drivers of the technical textile industry.
- The Government has assigned 207 Harmonized System Nomenclature (to promote India's technical textile industry. As of 2019, 348 technical textiles products were developed according to Bureau of Indian Standards (BIS).
- The industry, supported by various flagship schemes initiated by the Government, is forecast to grow 20 % y-o-y and is expected to reach Rs. 200 ,823 crore (US\$ 29 .96 billion) by FY 21.
- Government introduced six additional courses for technical textiles in its skill development programme called Samarth.
- In April, while addressing a webinar organized by the Swarajya Magazine in association with Vedanta Resources, Union Textiles Minister Smriti Zubin Irani outlined her vision for India's technical textiles industry under the Atmanirbhar Bharat Abhiyan.



- The production-linked incentive scheme for man-made fibre and technical textiles will help boost manufacturing, increase exports and attract investments into the sector.
- Techtextil India, a trade fair focused on technical textiles, non – woven swovens and composites will be held from 25th to 27th November 2021 in Mumbai. Tamil Nadu government signed up for Techtextil India 2021 to strengthen indigenous textile production and attract textile investments into the state. The state government will be promoting technical textile policies through both physical and virtual segments of the hybrid fair organized by the Messe Frankfurt Trade Fairs India.

STEADY RECOVERY IN TEXTILE MANUFACTURING TO AID GROWTH

- Textile manufacturing in India has been steadily recovering amid the pandemic.
- The size of India's textile industry is expected to touch US \$ 223 billion market by 2021.
- The seven mega textile parks announced in the budget should attract investments.
- While the government is working towards upliftment up-liftment of technical and MMF textile companies by upscaling its infrastructure, it is also interesting to note that textile will be added to the educational curriculum in the near future.
- In April 2021, India's ministry of textiles announced that the National Institute of Fashion Technology (will work towards introducing technical textiles as an academic subject in the near future.
- The pandemic brought some opportunities for the sector due to rise in PPE products. Union Minister Smriti Irani has pointed out that about 1,100 companies make PPEs in India now compared with none before the pandemic.
- In September 2021, Trade and Textiles Minister Mr. Piyush Goyal urged state governments to help businesses get land, power and other utilities at attractive rates to set setup mega textile parks.



NOTABLE TRENDS IN THE TEXTILES SECTOR

TEXTILE PARKS

- Since 2014, 59 textile park projects have been sanctioned under SITP and PPP with 40% Government assistance of up to Rs. 40 crore (US \$ 6 million). Of these, 24 textile parks are operational, as of July 2021.
- Under Union Budget 2021-2022, Finance Minister Nirmala Sitharaman launched a 'Mega Integrated Textile Region and Apparel (Park)' scheme to establish seven textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period.
- In March 2021, the Gujarat government announced to setup two mega textile parks to enable forward and backward integration in the sector. In the same month, the state-run Odisha Industrial Infrastructure Development Corporation and Indian Oil Corporation Limited signed an MoU to establish a plastic park in Paradip, Odisha.

TECHNICAL TEXTILES

- Increased awareness of goods, higher disposable incomes, changing customer patterns and some sector specific growth drivers are estimated to bolster the Indian technical textiles market to US\$23.3 billion in 2027, up from US\$14 billion in 2020 in Asia-Pacific.
- The technical textiles market for automotive textiles is projected to increase to US\$3.7 billion by 2027, from US\$2.4 billion in 2020. Similarly, the industrial textiles market is likely to increase at an 8% CAGR from US\$2 billion in 2020 to US\$ 3.3 billion in 2027.

TEXTILE MACHINERY

- It comprises over 1,446 units involved in churning out machinery and components. Another 600 units manufacture complete machinery.
- Market size of textile machinery stood at US\$ 4.85 billion in 2018 and is expected to reach US\$ 5.2 billion by 2021.

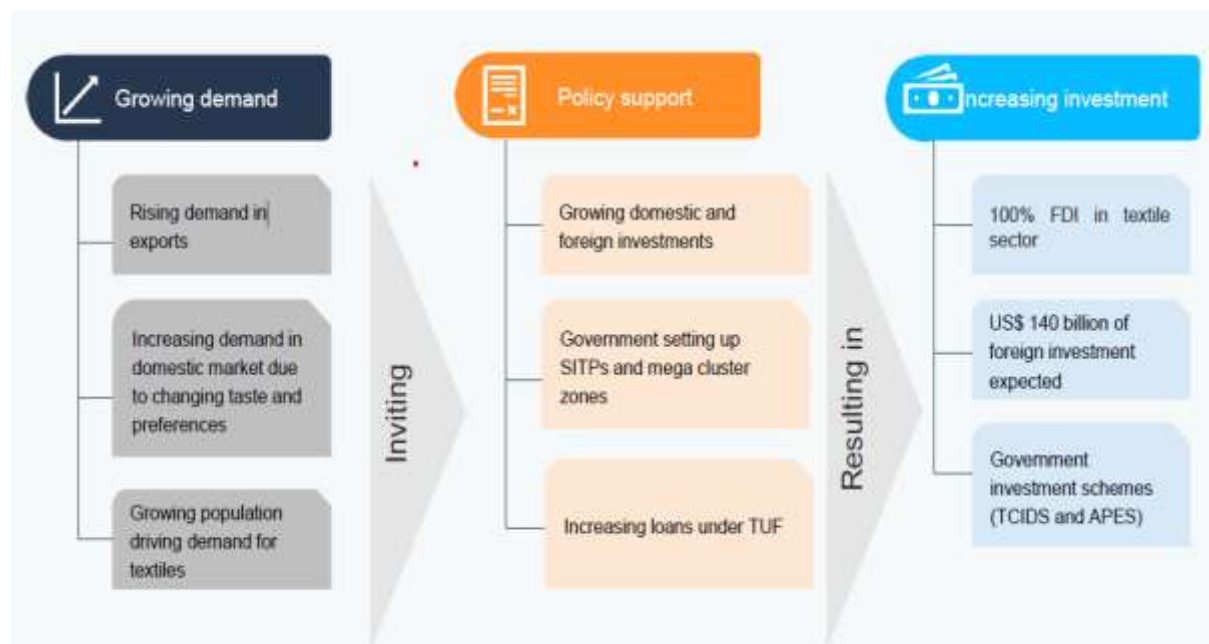
- The industry produced total machinery worth Rs. 6,900 crore (US\$ 1,070.60 million) in FY19 including spares and accessories worth Rs. 920 crore (US\$ 142.75 million).
- In September 2021, the government announced its Production-linked Incentive (PLI) scheme of Rs. 10,683 crore (US\$ 1.4 billion), for textiles, specifically aimed at boosting production of man-made fibre (MMF) fabric, MMF apparel and technical textiles.

FOCUS ON HIGH GROWTH DOMESTIC MARKETS

- In 2019, Synthetic and Rayon Textile Export Promotion Council (SRTEPC) organised a roadshow in collaboration with the Indian Mission.
- The Government of India has increased the basic custom duty to 20% from 10% on 501 textile products to boost Make in India and indigenous production.

GROWTH DRIVERS

Strong fundamentals and policy support aiding growth



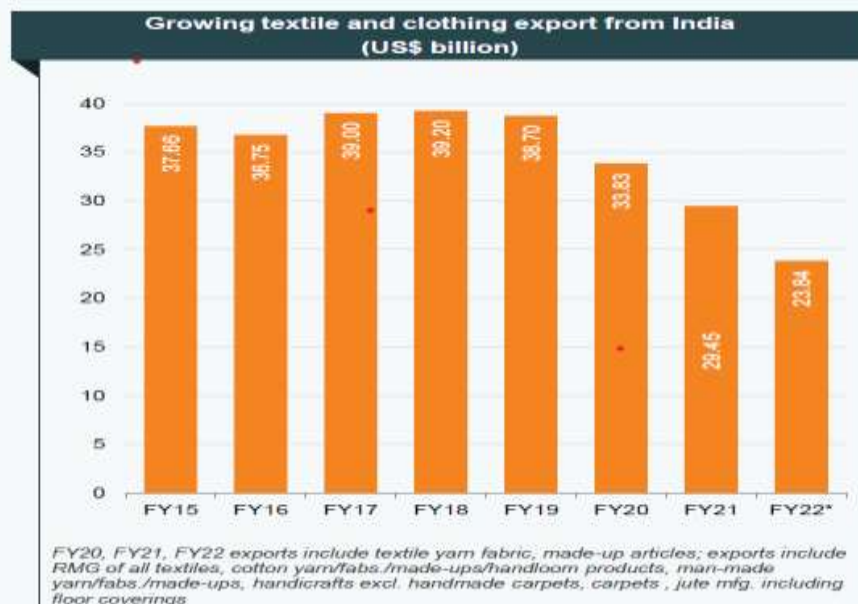
Rising incomes and a growing middle-class drive the demand



- Rising income has been a key determinant of domestic demand for the sector; within come rising in the rural economy as well. The upward push on demand from rising in come is set to continue.
- Rising industrial activity would support the growth in per capita income.

Exporters gaining from strong global demand

- India is the world's second-largest textile exporter. Capacity built over years has led to low cost of production per unit in India's textile industry. This has lent a strong competitive advantage to country's textile exporters over key global peers.
- Textile export increased to US\$38.70 billion in FY 19 at a CAGR of 4.22% over FY 16. It reached US \$ 29.45 billion in FY21.
- Between January and July 2021, India exported textile products worth Rs.1.77 lakh crore (US \$ 23.84 billion), which was 52.6% more than the same period last year and 13.7 % more than the pre-pandemic level of 2019.
- In the coming decade, Africa and Latin America could very well turn out to be the key markets for Indian textiles.



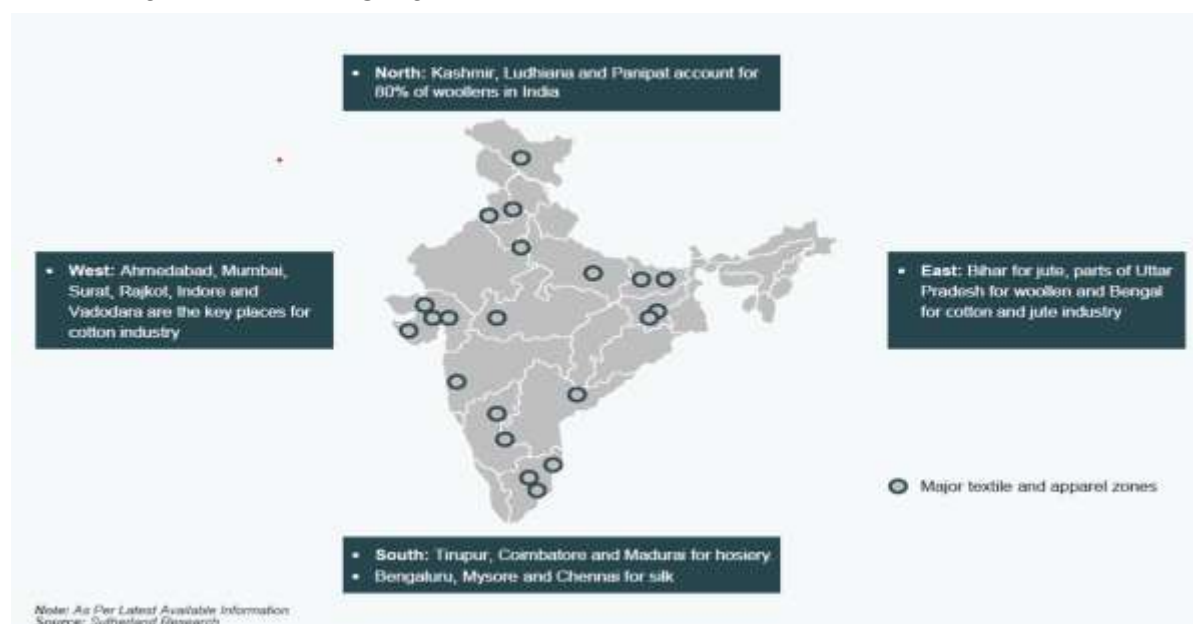
TEXTILE SEZs IN INDIA

As of September 30, 2020, India had seven exporting SEZs for textiles, apparel and wool.

Name of SEZ and status	State	Area (hectares)	Sector	Details
Mahindra City SEZ (Functional)	Tamil Nadu	607.1	Apparel and fashion accessories	Mahindra City is India's first integrated business city, divided into Business and lifestyle zones. It is a cluster of 3 sector specific SEZs in Tamil Nadu, for apparels and fashion accessories; IT and hardware; and auto ancillary. The business zone provides plug-n-play working spaces. This zone comprises a SEZ (primarily for exporters) and Domestic Tariff Area (for companies targeting domestic market).
Surat Apparel Park (Functional)	Gujarat	56.0	Textiles	Key industrial units include Safari Exports, Venus Garments, Benchmark Clothings, P. K. International, Tormal Prints, J.R. Fashion and Ganga Export.

Brandix India Apparel City (BIAC) (Functional)	Andhra Pradesh	404.7	Textiles	BIAC is an integrated apparel supply chain city, managed by Brandix Lanka Ltd. It aims to be a end -to -end apparel solution provider.
(KIADB) (Functional)	Karnataka	16129.0	Several sectors	Karnataka Industrial Areas Development Board (is a wholly owned infrastructure agency of Government of Karnataka. Till date, KIADB has formed 132 industrial areas spread all over the state.

KEY TEXTILES AND APPAREL ZONES IN INDIA



POLICY SUPPORT HAS BEEN A KEY INGREDIENT TO GROWTH

Amended Technology Up-gradation Fund Scheme (A A-TUFS)

- Investment was made to promote modernization and up-gradation of the textile industry by providing credit at reduced rates. A subsidy of Rs. 6,717 .18 crore (US\$ 952 .93 million) was released under this scheme between FY 16 and FY 20.

National Textile Policy -2000

- Key areas of focus include technological upgrades, enhancement of productivity, product diversification and financing arrangements.
- New draft for this policy ensures to employ 35 million by attracting foreign investment. It also focuses on establishing a modern apparel garment manufacturing centre in every state state in the Northeast for which the Government has invested an amount of US \$ 3.27 million.

Foreign Direct Investment

Foreign direct investment (of up to 100 % is allowed in the textile sector through the automatic route.

SAATHI Scheme

- The Union Ministry of Textiles, Government of India, along with Energy Efficiency Services Ltd. (has launched a technology upgradation scheme called SAATHI (Sustainable and Accelerated Adoption of Efficient Textile Technologies to Help Small Industries) for reviving the power loom sector of India.

ACHIEVEMENTS

Following are the achievements of the Government in the past four years:

- In June 2021, KVIC recorded a 7.71% growth in gross annual turnover to Rs. 95,741.74 crore (US\$ 12.85 billion) from Rs. 88,887 crore (US\$ 11.93 billion) in FY20.
- I-ATUFS, a web-based claims monitoring and tracking mechanism was launched on April 21, 2016. 381 new block level clusters were sanctioned.
- Under the Scheme for Integrated Textile Parks (SITP), 59 textile parks were sanctioned, out of which, 22 have been completed.
- Employment increased to 45 million in FY19 from 8.03 in FY15.

ROAD AHEAD

India is working on major initiatives, to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on rise. Government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials.

The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

OPPORTUNITIES

Immense growth potential

- The Indian textile industry is set for strong growth, buoyed by both strong domestic consumption as well as export demand.
- The textile and apparel industry is expected to grow to US\$ 190 billion by FY26.

Proposed FDI in multi-brand retail

- For the textile industry, the proposed hike in FDI limit in multi brand retail will bring in more players, thereby providing more options to consumers.
- It will also bring in greater investment along the entire value chain-from agricultural production to final manufactured goods.
- With global retail brands assured of a domestic foothold, outsourcing will also rise significantly.

Union Budget 2020-2021

- Under Union Budget 2020-21, the Government has allocated around Rs. 3,515 crore (US\$ 502.93 million) to the Ministry of Textiles.
- Rs. 223 crore (US\$ 31.91 million) is allocated to Textile Infrastructure.
- Rs. 761.90 crore (US\$ 109.01 million) is allocated for A-TUFS.
- Rs. 159.08 crore (US\$ 22.76 million) allocated towards schemes for powerloom units.
- Rs. 80 crore (US\$ 11.45 million) allocated for scheme targeted towards Integrated Textile Parks.

Union Budget 2021-2022

- The Government of India allocated ~ Rs.3,631.64 crore (US \$ 497.70 million) to the Ministry of Textiles.
- Positive measures in the budget 2021-22 for textile sector is as follows:
- Mega Investment Textiles Park (MITRA) scheme, in addition to production -linked incentive (PLI) scheme, to establish seven textile parks over a three-year period.

Centers of Excellence (CoE) for research and technical training

- The CoEs are aimed at creating testing and evaluation facilities as well as developing resource centres and training facilities.
- Existing 4CoEs, BTRA for Geotech, SITRA for Meditech, NITRA for Protech and SASMIRA for Agrotech, would be upgraded in terms of development of incubation centre and support for development of prototypes.
- Fund support would be provided for appointing experts to develop these facilities

Foreign investments

- The Government is taking initiatives to attract foreign investment in the textile sector through promotional visits to countries such as Japan, Germany, Italy and France.
- According to the new Draft of the National Textile Policy, the Government is planning to attract foreign investment and creating employment opportunities for 35 million people.

ADVANTAGES

1. Policy Support

- 100% FDI (automatic route) is allowed in the Indian textile sector.
- Under Union Budget 2020-2021, a National Technical Textiles Mission is proposed for a period from 2020 – 2021 to 2023-2024 at an estimated outlay of Rs.1,480 crore (US \$ 211.76 million).
- Production-linked Incentive (PLI) Scheme worth Rs.10,683 crore (US\$1.44 billion) for man-made fibre and technical textiles over a five-year period.

2. Robust Demand

- Increased penetration of organised retail, favourable demographics and rising income level will drive demand for textiles.
- The Indian technical textiles market is expected to expand to US \$ 23.3 billion by 2027, driven by increased awareness of goods and higher disposable incomes.

- Additionally, the pandemic has led to increased demand for technical textiles in the form of PPE suits and equipment. The government is supporting
- The sector through funding and machinery sponsoring.

3. Increasing Investments

- In order to attract private equity (PE) and employee more people, Government introduced various scheme such as Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme and Mega Integrated Textile Region and Apparel (MITRA) Park Scheme.
- Industrial Entrepreneur Memorandum (IEMS) filed in textiles industry stood at 15 of worth Rs. 1,241 crore (US\$ 176 .05 million) in January 2020

Source: Textile and apparel industry in India - India Brand Equity Foundation - www.ibef.org

FAST MOVING CONSUMER GOODS (FMCG) INDUSTRY

INTRODUCTION

Fast-moving consumer goods (FMCG) sector is India's fourth-largest sector with household and personal care accounting for 50% of FMCG sales in India. Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market has grown at a faster pace in rural India compared to urban India. Semi-urban and rural segments are growing at a rapid pace and FMCG products account for 50% of the total rural spending.

MARKET SIZE

The retail market in India is estimated to reach US\$ 1.1 trillion by 2020 from US\$ 840 billion in 2017, with modern trade expected to grow at 20-25% per annum, which is likely to boost revenue of FMCG companies. The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US\$ 220 billion by 2025, from US\$ 110 billion in 2020. According to Nielsen, the Indian FMCG industry grew 9.4% in the January-March quarter of 2021, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. The rural market registered an increase of 14.6% in the same quarter and metro markets recorded positive growth after two quarters. Final consumption expenditure increased at a CAGR of 5.2% during 2015-20. According to Fitch Solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting >9.3% in 2020 due to economic impact of the pandemic. The FMCG sector's revenue growth will double from 5-6% in FY21 to 10-12% in FY22, according to CRISIL Ratings. Price increases across product categories will offset the impact of rising raw material prices, along with volume growth and resurgence in demand for discretionary items, are driving growth. The FMCG sector grew by 36.9% in the April-June quarter of 2021 despite lockdowns in various parts of the country.

Number of households shopping on modern-trade channel grew 29.15% YoY in the September quarter and shopping volume on the channel went up by 19.2% YoY.

In September 2021, rural consumption of FMCG increased 58.2% YoY; this is 2x more than the urban consumption (27.7%).



The domestic FMCG market increased 36.9% YoY in April-June 2021.

In the third quarter of FY20 in rural India, FMCG witnessed a double-digit growth recovery of 10.6% due to various government initiatives (such as packaged staples and hygiene categories); high agricultural produce, reverse migration, and a lower unemployment rate. Rise in rural consumption will drive the FMCG market. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

Companies with dedicated websites recorded an 88% YoY rise in consumer demand in 2020. Since then, more businesses have begun to adopt the D2C model, and India is now home to >800 D2C brands looking at a US\$ 101 billion opportunity by 2025.

E-commerce companies reported sales worth US\$ 9.2 billion across platforms in October and November (2021), driven by increased shopping during the festive season. With festive season sales, Flipkart Group merged as the leader with a 62% market share.

Advertising volumes on television recorded healthy growth in the July-September quarter, registering 461 million seconds of advertising, which is the highest in 2021. FMCG continued to maintain its leadership position with 29% growth in ad volumes against the same period in 2019. Even the e-commerce sector showed a healthy 26% jump over 2020.

Investments/ Developments

The Government has allowed 100% Foreign Direct Investment (FDI) in food processing and single-brand retail and 51% in multi-brand retail. This would bolster employment, supply chain and high visibility for FMCG brands across organised retail markets thereby bolstering consumer spending and encouraging more product launches. The sector witnessed healthy FDI inflows of US\$ 18.59 billion from April 2000 to June 2021.

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

In November 2021, McDonald's India partnered with an FMCG company ITC to add a differentiated fruit beverage, B Natural, to its Happy Meal, which will be available across all McDonald's restaurants in South and West India, primarily catering to children aged 3–12 years.

In October 2021, Procter & Gamble announced an investment of Rs. 500 crore (US\$ 66.8 million) in rural India.

In September 2021, PepsiCo commissioned its Rs. 814 crore (US\$ 109.56 million) Kosi Kalan foods facility in Mathura, Uttar Pradesh; it is the company's largest greenfield manufacturing investment in India.

In September 2021, Adani Wilmar announced the opening of physical stores under the name 'Fortune Mart' that will exclusively sell Fortune and other Adani Wilmar brand products.

In August 2021, Apnaklub, a Bengaluru-based B2B wholesale marketplace for consumer goods, raised US\$ 3.5 million in a seed round from Sequoia Capital India's Surge, increasing the total funds to US\$ 5 million.

In August 2021, Soothe Healthcare, an Indian personal hygiene products brand, raised Rs. 130 crores (US\$ 17.54 million) in a Series-C round of funding from A91 Partner Partners.

In August, Adani Wilmar, a 50/50 joint venture between Adani Group and Singapore-based Wilmar, filed for initial public offering (IPO) to raise up to Rs. 4,500 crore (US\$ 607.13 million) for expansion.

In the fourth quarter of FY21, e-commerce sales of Marico Ltd., Hindustan Unilever Ltd., Dabur India, ITC and Godrej Consumer Products Ltd. were 8%, 6%, 5%, 5%, and 4%, respectively, of the total FMCG sales.

In July 2021, Emami Ltd. increased its stake (by 15% to 46%) in Helios Lifestyle, which sells male-grooming products under The Man Company brand in line with its ambition to tap emerging online opportunities.

In July 2021, Tata Consumer Products Ltd. introduced 'Eight O 'Clock', America's Original Gourmet Coffee, under D2C, besides Tata Coffee 1868 and Sonnets, as a part of its strategy to enhance its D2C approach for select coffee brands and their specific websites. The company plans to add more brands in the D2C space as these three coffee brands stabilise.

In July 2021, HUL launched in-store vending machine model, Smart Fill machine, for its home care products with the aim to reuse and recycle plastic. Smart Fill machine will allow consumers to reuse plastic bottles by refilling products from its brands like Surf Excel, Comfort and Vim.

As of June 2021, e-commerce share has already touched 7-8% for some of the largest FMCG companies in the country, according to Accenture India.

In June 2021, Dabur India announced its Rs. 550 crore (US\$ 75.6 million) investment to set up a new plant in Madhya Pradesh for manufacturing of food products, ayurvedic medicines and health supplements.

In May 2021, Tata Digital Ltd., a 100% subsidiary of Tata Sons, acquired a 64.3% stake in supermarket grocery supplies, the business-to-business arm of Big Basket in tandem with Tata Group's strategy to build a digital consumer ecosystem. According to the Economic Times, the deal is worth US\$ 1.8-2 billion.

In May 2021, Nepal-based CG Corp Global, known for its popular noodles brand Wai, announced its plan to invest Rs. 200 crore (27.42 million) to set up two new manufacturing plants in West Bengal and Uttar Pradesh.

Government Initiatives

Some of the major initiatives taken by the Government to promote the FMCG sector in India are as follows:

On November 11, 2020, Union Cabinet approved the production-linked incentive (PLI) scheme in 10 key sectors (including electronics and white goods) to boost India's manufacturing capabilities, exports and promote the 'Atmanirbhar Bharat' initiative.

Developments in the packaged food sector will contribute to increased prices for farmer and reduce the high levels of waste. In order to provide support through the PLI scheme, unique product lines—with high-growth potential and capabilities to generate medium- to large-scale jobs—have been established.

The Government of India has approved 100% FDI in the cash and carry segment and in single-brand retail along with 51% FDI in multi-brand retail.

The Goods and Services Tax (GST) is beneficial for the FMCG industry as many of the FMCG products such as soap, toothpaste and hair oil now come under the 18% tax bracket against the previous rate of 23-24%. Also, GST on food products and hygiene products has been reduced to 0-5% and 12-18% respectively.

GST is expected to transform logistics in the FMCG sector into a modern and efficient model as all major corporations are remodelling their operations into larger logistics and warehousing.

ROAD AHEAD

Rural consumption has increased, led by a combination of increasing income and higher aspiration levels. There is an increased demand for branded products in rural India.

On the other hand, with the share of unorganised market in the FMCG sector falling, the organised sector growth is expected to rise with increased level of brand consciousness, augmented by the growth in modern retail.

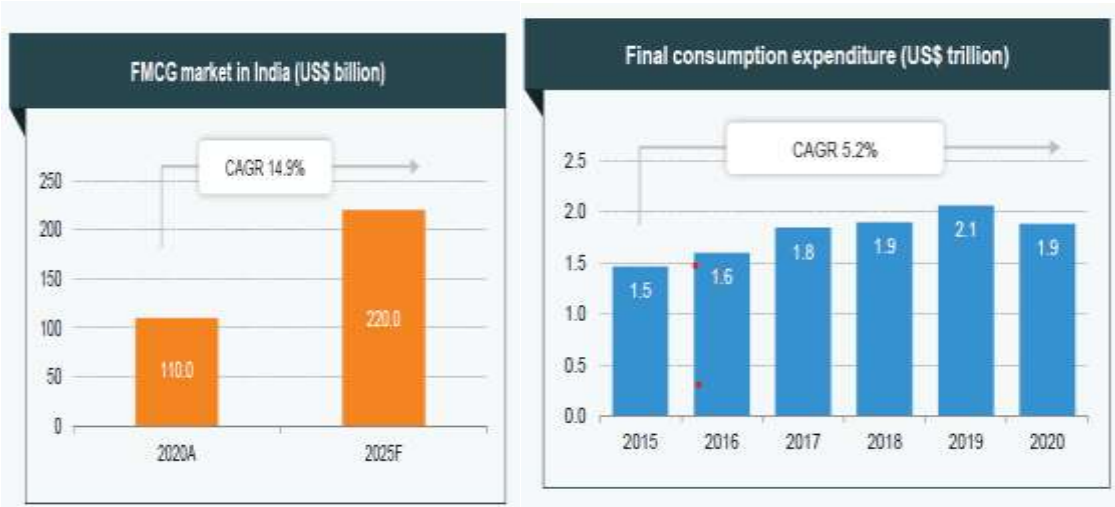
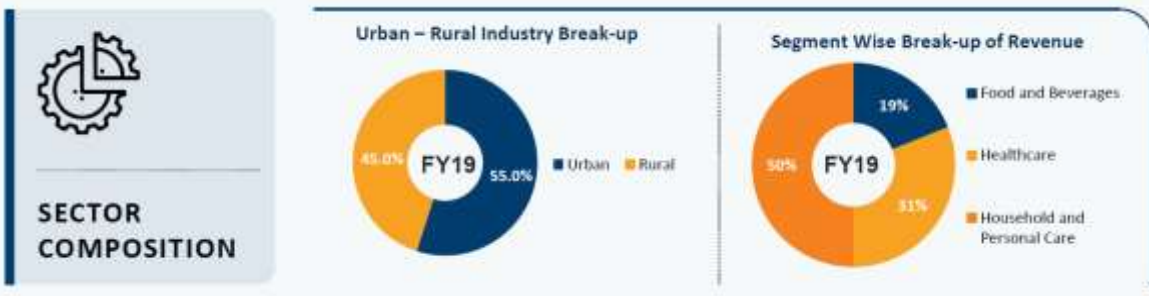
Another major factor propelling the demand for food services in India is the growing youth population, primarily in urban regions. India has a large base of young consumers who form majority of the workforce, and due to time constraints, barely get time for cooking.

Online portals are expected to play a key role for companies trying to enter the hinterlands. Internet has contributed in a big way, facilitating a cheaper and more convenient mode to increase a company's reach. The number of internet users in India is likely to reach 1 billion by 2025. It is estimated that 40% of all FMCG consumption in India will be made online by 2020. The online FMCG market is forecast to reach US\$ 45 billion in 2020 from US\$ 20 billion in 2017.

It is estimated that India will gain US\$ 15 billion a year by implementing GST. GST and demonetisation are expected to drive demand, both in the rural and urban areas, and economic growth in a structured manner in the long term and improved performance of companies within the sector.

EXECUTIVE SUMMARY

- Favourable demographics and rise in income level will boost the FMCG market.
- FMCG sector is the fourth largest sector in the Indian economy.
- By 2025, India is likely to be the fifth-largest FMCG market.
- The FMCG market in India is expected to increase at a CAGR of 14.9% to reach US \$ 220 billion by 2025, from US \$ 110 billion in 2020.
- The urban segment contributes to about 55 % of the revenue share, while the rural segment accounts for 45 %. Rise in rural consumption will drive the FMCG market.
- Final consumption expenditure increased at a CAGR of 5.2% during 2015-20. According to Fitch Solutions, real household spending is projected to increase 9.1% YoY in 2021, after contracting > 9.3% in 2020 due to economic impact of the pandemic.
- The Indian FMCG industry grew by 36.9% in the second quarter of 2021, despite nationwide lockdowns.
- In June 2021, MoM growth in FMCG sales value in urban and rural markets was 63.6% and 32.8%, respectively. Tier-II cities led the way in urban growth, with a 23.7% MoM increase in monthly stocking per kirana, whereas stocking in rural kiranas only climbed by 2%.
- The FMCG sector's revenue growth will double from 5-6% in FY 21 to 10-12 % in FY 22, according to CRISIL Ratings. Price increases across product categories will offset the impact of rising raw material prices, along with volume growth and resurgence in demand for discretionary items, are driving growth.



STRONG GROWTH IN INDIAN FMCG SECTOR

- The FMCG sector's revenue reached US \$ 110 billion in 2020.
- FMCG sector will gain support for growth from Inland Waterways Authority of India (multi-modal transportation project of freight village at Varanasi, which will bring together retailers, warehouse Operators and logistics service providers, and investment worth Rs. 1.7 billion (US \$ 25 .35 million) million).
- The FMCG sector grew by 36 .9% in the April-June quarter of 2021 despite lockdowns in various parts of the country.
- In June 2021, MoM growth in FMCG sales in urban and rural markets was 63 .6% and 32 .8%, respectively. Tier-II cities led the way in urban growth, with a 23.7% MoM increase in monthly stocking per kirana, whereas stocking in rural kiranas only climbed by 2%.
- The FMCG sector's revenue growth will double from 5-6% in FY 21 to 10 -12 % in FY 22. Price increases across product categories will offset the price of raw materials, along with volume growth and a resurgence in demand for discretionary items, will drive growth.
- In September 2021, FMCG major Godrej Consumer Products, announced that it is looking at clocking a double-digit growth in FY 22 with expansion across various segments.

BUSINESS OVERVIEW

Some of the information in this chapter, including information with respect to our plans and strategies, contain forward looking statements that involve risks and uncertainties. You should read “*Forward-Looking Statements*” beginning on page 14 for a discussion of the risks and uncertainties related to those statements and also “*Risk Factors*”, “*Restated Financial Statement*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 24, 165 and 210 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

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 “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statement” beginning on page 24, 210 and 165 respectively of this Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited financial statements. Further, all references to “Sunrise Efficient Marketing Limited”, ‘the Company’, ‘our Company’, ‘SEML’ and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to Sunrise Efficient Marketing Limited.

BACKGROUND

Mr. Lejas Hemantra Desai, the promoter of Sunrise Efficient Marketing Limited started his journey in the year 2002, as a sole proprietorship concern named as “Sunrise Marketing & Services” which was into the business of selling lighting products of Asian Electronics Limited as Authorized Dealers (Agents) for their Energy Saving Lighting Products like T-5 Tube lights, highway and streetlights etc. Sensing opportunity in the textile machinery space, Sunrise Marketing & Services entered into a dealership arrangement with Bharat Bijlee Limited for supply of motors in Surat.

In 2011, we diversified into Consumer Goods (FMCG Division) and acted as distribution for Pepsico for 40% of Geography in Surat. Since its inception in 2002, Sunrise Marketing & Services diversified into other product categories like:

- Industrial Oils - Gulf Oil Lubricants India Ltd,
- VF Drives - Yaskawa (the Japanese giant brand) VF Drives,
- Geal Boxes - Redicon Power, Elecon
- Pumps (Domestic, Agriculture and Industrial Series)

Our Company was incorporated as a Public Limited Company in name and style of Sunrise Efficient Marketing Limited under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated July 09, 2020 bearing Registration Number U17299GJ2020PLC114489 issued by Registrar of Companies, Central Registration Centre, and commenced its business from 2020. Subsequently, on alteration of Object Clause of the Company, a fresh Certificate of Registration vide Special Resolution confirming Alteration of Object Clause dated February 02, 2022 was issued by Registrar of Companies, Ahmedabad. The Corporate Identification Number is U29100GJ2020PLC114489.

We are an ISO 9001:2015 certified Company primarily engaged in the business as traders, distributors, super stockiest, retailers, wholesalers, importers, exporters, agents, dealers, buyers, sellers, fabricators, assemblers, fitters, installers, repairers of all types of Industrial machineries, its spare parts, electrical

items, electronic items, mechanical and engineering items, pipes, pipe fittings, sanitation parts, all types of machined and un-machined castings, industrial valves and its spares, Oils, lubricants, all types of motors, pumps, generator sets, batteries and all types of electrical, mechanical, electromechanical & electronic items, and spare parts, accessories used for industrial, domestic and agricultural purposes. We are also distributor for FMCG products.

Subsequently, our Company has acquired the business comprising of distribution agreement, customer relationship, employees and brands of M/s Sunrise Marketing and Services w.e.f. July 24, 2020.

BUSINESS MODEL

Our Company is in the distribution business of Automation, Drive, Gear Box, Motors, Pumps, Oils and FMCG Products and aids to manage complete supply chain right from the manufacturers and end user. Currently, we are authorized dealer of 138 manufacturers. Our business model helps to spread our market risks arising out of fluctuation in the market shares of various brands besides helping us to achieve economies of scale. We follow B2B and B2C business model. The focus is to capture a considerable market share in each of the product categories.

OUR BUSINESS RELATIONSHIPS

We enter into Vendor Agreements and Service Agreements & Agreements with Manufacturers or Distributors to maintain the business relationship with vendor and distributor.

Financial Metrics:

(₹ in lakhs)

Product wise revenue	As on September 30, 2021	As on March 31, 2021
Automation	37.18	27.59
Drive	529.84	606.56
Lighting	60.04	41.38
Gear Box	155.02	164.32
Motors	1315.47	1267.30
Pumps	329.15	215.38
Oil	244.45	294.45
FMCG	324.52	6.19

Our Company has started selling of motors under our own brand “Synchro Plus”. Our revenue from own brands and sale of OEM products is as under:

(₹ in lakhs)

Category	As on September 30, 2021	As on March 31, 2021
Own Brand	61.49	35.47
Others	2937.35	2592.53

We supply to various industries, like textile, Chemical, Fire, Pharma, FMCG etc. Details of revenue sector wise is as under:

(₹ in lakhs)

Industry wise revenue	As on September 30, 2021	As on March 31, 2021
Textile	1709.53	1936.57
Chemical	400.67	261.70

Industry wise revenue	As on September 30, 2021	As on March 31, 2021
Pharma	80.13	78.51
Plastic	80.13	78.51
Crane & Hoist	13.36	1.31
Power	8.01	7.85
Paper	13.36	13.08
Ceramic	13.36	13.08
Fire	213.69	130.85
TFO Machine	80.13	78.51
Water Jet Loom	2.67	2.62
FMCG	324.52	6.19
HVAC	1.50	1.00
R.O.	1.17	0.31
Others	53.43	13.08

OUR COMPETITIVE STRENGTHS:-

1) Large & Diverse Product Portfolio

We are currently dealing in a wide range of products like Motor, Lubricants, Gears, Lighting, Grease, Pump and Drives which are majorly used by the textile companies.

2) Established relationship with institutional customers

Our Company focuses on providing the customers with the desired quality and standard products. By providing the products with the desired quality and standards we aim to achieve highest level of customer satisfaction and procure repeated orders from customers.

3) Quality Assurance and Control

We have received an ISO 9001:2015 certification on the quality management system of our Company for designing, assembling, repairing, importing, buying and selling of industrial pumps, gearbox and motors. We follow a practice of testing our products for the desired quality and customer requirement before dispatching the same to the customers.

4) Experienced Promoter and skilled workforce

Our promoter Lejas Desai has more than 18 years of experience. Under their guidance, knowledge and business skills we have been able to successfully implement our business plans and achieve growth.

OUR BUSINESS STRATEGIES:-

1) Leveraging Market Skills

Under the leadership and experience of our Promoter, Lejas Desai who is overseeing the marketing of the products and also handles the co-ordination, we have been able to procure good orders. We aim to further leverage our marketing skills and relationships and further enhancing customer satisfaction. We also intend to further expand our client base by meeting orders in time and maintaining customer relationships.

2) Long Term Relationship with Clients

Customer satisfaction and Strong long-term relationship with the client is key to success for any organization. Our on-time delivery and quality product helps us maintain strong relationship with our customers and also gives us competitive against our peers.

3) Achieving Operational Efficiencies

Our company aims to achieve operational efficiencies through cost reduction. We believe that this could be done through economies of scale and further increasing our areas of operations. We continue to invest in latest technology to ensure operational and management efficiencies, and to standard to quality. Also, increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result our company will be able to increase its market share and profitability.

4) Expand Distribution Network & Customer Base




Our company has strong presence in Surat and aims to further increase its distribution networks. We aim to widen our marketing network further to cover unexplored areas in India and strengthen our customer base.


5) Adding new products in the existing verticals

Due to changes in the trends of the technology, we intent to add products in our current portfolio which may have market potential. We believe that this would help us to keep our portfolio balanced and spread our vendor/product risk. We would seek product lines which have better scope for value addition and therefore offer us profitability. Our business strategy is to add new products and brands in our existing product portfolio. Our portfolio includes products from different brands to further get a revenue mix rather than being revenue dependent on one.

OUR PRODUCT PORTFOLIO:-

Major products distributed by us are as follows:-





BHARAT BIJLEE LIMITED 		
Product Name: <ul style="list-style-type: none"> AC MOTORS Product Specification: <ul style="list-style-type: none"> IE2-High Efficiency Motor 		<ul style="list-style-type: none"> Textile Industries Chemical industries Pharma Power Plastic Ceramic Paper industries
Product Name: <ul style="list-style-type: none"> AC MOTORS Product Specification:		<ul style="list-style-type: none"> Textile Industries Chemical industries Pharma Power Plastic Ceramic Paper industries

<ul style="list-style-type: none"> • IE3-Premium Efficiency Motor 		
Product Name: <ul style="list-style-type: none"> • AC MOTORS Product Specification: <ul style="list-style-type: none"> • IE4-Super Premium Efficiency Motor 		<ul style="list-style-type: none"> • Textile Industries • Chemical industries • Pharma • Power • Plastic • Ceramic • Paper industries



YASKAWA INDIA PRIVATE LIMITED YASKAWA		
Product Name : <ul style="list-style-type: none"> • VARIABLE FREQUENCY DRIVE Product Specification: <ul style="list-style-type: none"> • Yasakwa-A1000 • Premium AC Drive 		<ul style="list-style-type: none"> • Textile Industries • Pump and fan • Crane and hoist • Plastic
Product Name : <ul style="list-style-type: none"> • VARIABLE FREQUENCY DRIVE Product Specification: <ul style="list-style-type: none"> • Yasakwa-V1000 • current vector drive 		<ul style="list-style-type: none"> • Textile Industries • Pump and fan • Crane and hoist • Plastic
Product Name : <ul style="list-style-type: none"> • VARIABLE FREQUENCY DRIVE Product Specification:		<ul style="list-style-type: none"> • Textile Industries • Pump and fan • Crane and hoist • Plastic




<ul style="list-style-type: none"> Yasakwa-GA500 Industrial Micro Drive 		
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GULF OIL LUBRICANT INDIA LIMITED 		
Product Name : <ul style="list-style-type: none"> LUBRICANT-SPIN 12 Product Specification: <ul style="list-style-type: none"> Spindle oil 		<ul style="list-style-type: none"> Textile Industries TFO Machines
Product Name : <ul style="list-style-type: none"> Grease-Crown HD BLUE Product Specification: <ul style="list-style-type: none"> Multipurpose grease 		<ul style="list-style-type: none"> Textile Industries Water Jet Loom Process Industries Ceramic Industries Paper Industries
Product Name : <ul style="list-style-type: none"> LUBRICANT-HYDRAULIC OIL 		<ul style="list-style-type: none"> Textile Industries Water Jet Loom Process Industries Ceramic Industries Paper Industries

POWER BUILD PRIVATE LIMITED		
		
Product Name : <ul style="list-style-type: none"> • Gear box Product Specification: <ul style="list-style-type: none"> • Universal geared 		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries
Product Name : <ul style="list-style-type: none"> • Gear box Product Specification: <ul style="list-style-type: none"> • Series M inline helical geared 		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries
Product Name : <ul style="list-style-type: none"> • Gear box Product Specification: <p>Series F Parallel shaft Mounted Geared Motor</p>		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries

ELECON ENGINEERING COMPANY LIMITED		
		
Product Name : <ul style="list-style-type: none"> • GEARBOX Product Specification: <ul style="list-style-type: none"> • WORM GEAR SMALL SERIES 		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries

Product Name : <ul style="list-style-type: none"> • GEARBOX Product Specification: <ul style="list-style-type: none"> • WORM GEAR MEDIUM SERIES 		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries
Product Name : <ul style="list-style-type: none"> • GEARBOX Product Specification: <p>MODULAR UNIVERSAL MOUNTING</p>		<ul style="list-style-type: none"> • Textile Industries • Quarry • Paper Industries • Chemical Industries • Power Industries

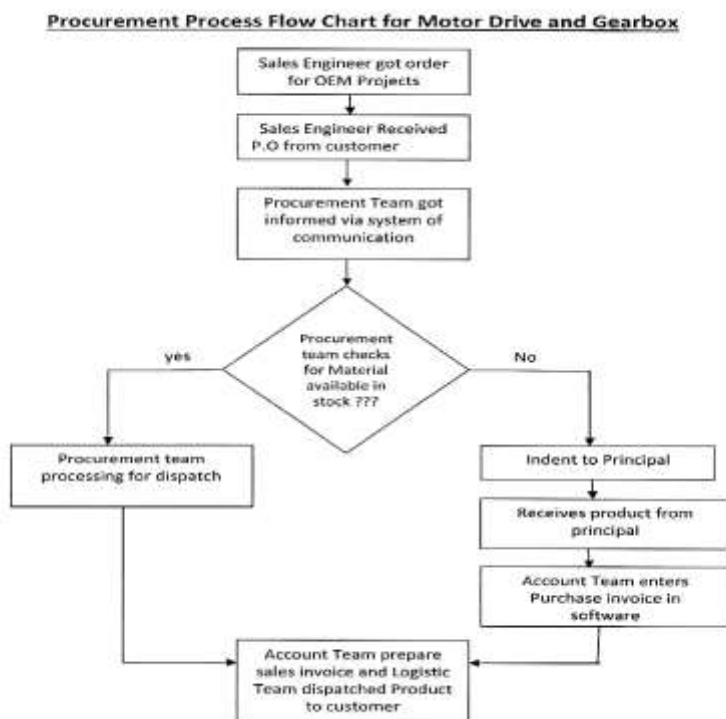
LUBI INDUSTRIES LLP 		
Product Name : <ul style="list-style-type: none"> • PUMP Product Specification: <ul style="list-style-type: none"> • Vertical Multistage centrifugal pumps 		<ul style="list-style-type: none"> • HVAC • Paper • Chemical • Cement • Power
Product Name : <ul style="list-style-type: none"> • PUMP Product Specification: <ul style="list-style-type: none"> • Horizontal centrifugal pump 		<ul style="list-style-type: none"> • HVAC • Paper • Chemical • Cement • Power

Product Name : <ul style="list-style-type: none"> • PUMP Product Specification: <ul style="list-style-type: none"> • Submerged centrifugal pump 		<ul style="list-style-type: none"> • HVAC • Paper • Chemical • Cement • Power • RO
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PROCESS FLOW CHARTS:-

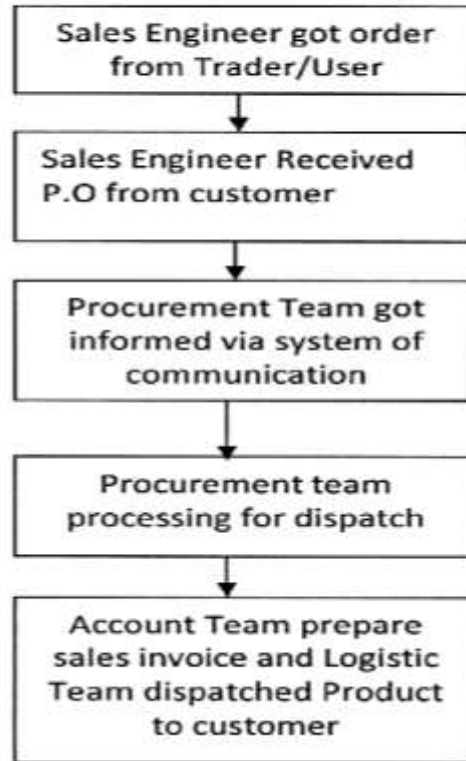
The procurement process of the company is divided into 4 divisions namely Motor drive Division, Gearbox Division, Pump Division and Oil Division. The steps involved in the procurement process for all divisions are as below :-

i. Procurement flow chart for activities undertaken at the Motor Drive division and Gearbox Division

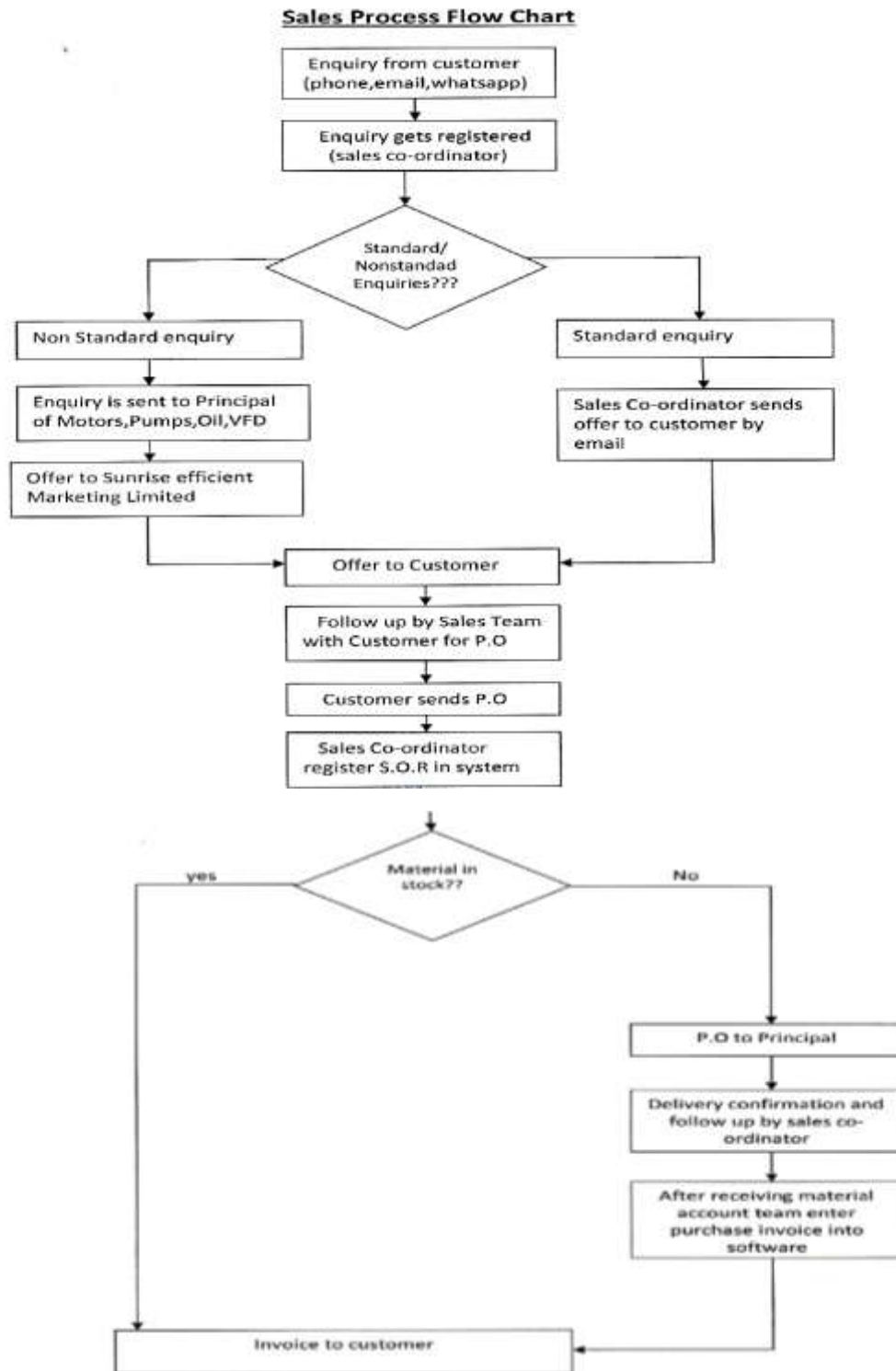


- ii. Procurement flow chart for activities undertaken at the pump division and Oil Division

Procurement Process Flow Chart for Pump and Oil



iii. Sales flow chart



PLANT & MACHINERY

Since we are a trading company, we do not own any major plant and machinery.

COLLABORATIONS/TIE UPS/ JOINT VENTURES

Our Company has not entered into any Collaborations/ Tie-Ups/ Joint Ventures as on the date of raft Prospectus.

EXPORT OBLIGATION:

Our Company does not have any export obligation as on date of the Draft Prospectus.

SALES AND MARKETING:-

Sales and marketing is crucial in the success of our business. Our marketing and business development team under the leadership of our promoter Lejas Desai, who endeavor to make our bids competitive in order to maintain old clients as well as searching for new customer base and clientele.

Backing by our strong commitment towards High Quality Products and timely Delivery Schedules we are able to secure repeated orders from our customers. We always try to assess properly our customers' needs.

MARKETING STRATEGY

We intend to focus on following marketing strategies:

- Focus on existing markets & increasing our customer base
- Customized products as per customers' requirements
- Providing value added services

After Sales Service

At SEML, we have variety of products and provide after Sales Service in maintaining products sold by us and through other suppliers. The details of products for which our Company provides after sales service is as under:

- A) Products like Electric Motors, Industrial Pumps, Gear Box
- B) Products like Domestic Pumps
- C) Products like Lighting
- D) Products like Variable Frequency Drives
- E) Products – Industrial oil.

All our after sales services are further segregated into two categories

- Site Service
- In House Service.

As soon as the Product complaint for after sales services is registered, the job / service call is assigned to the team taking care of ASS, both Inhouse as well as on Site jobs.

We have our own test set up & repair shop where technical issues of our product products being repaired by our experienced technical team. For pumps, if the issues of the product issue cannot be fixed it get replaced.

COMPETITION:-

We believe that competitive pricing, product quality and assurance, technical knowledge, performance records and after sales services are the key factors in client decision among competitors. Thus, due to consistent emphasis on quality and delivery, our Company has been receiving repeated orders from our customers.

INFRASTRUCTURE & UTILITIES

A. Power:-

Our trading business is not power intensive. Our Registered Office and warehouse draw power from their respective local electricity suppliers. The requirements of power for operations are met through Dakshin Gujarat Vij Company Limited.

B. Water:-

Water requirement for the operations is very minimal and the same is met through Surat Mahanagarpalika.

CAPACITY AND CAPACITY UTILIZATION:-

Capacity and Capacity Utilization is not applicable to our Company since our business is not the nature of a manufacturing concern with specified installed capacity but we purely into the business of dealership and trading.

HUMAN RESOURCE:-

As on date of Draft Prospectus, we have employed 53 full-time employees at our locations. Focusing on the growth and stability in the long range we have employed in our Company a prudent mix of the experienced and youth which gives us the dual advantage.

Following is the Department wise employees List:-

Sr. No.	Department	No. of Employees
1.	HR & Admin	02
2.	Account & Finance	10
3.	Operation & Back office	04
4.	Sales & Marketing	25
5.	Logistics	10
6.	Service	02
TOTAL		53

LOGISTICS

We have a Dedicated Logistic Arrangement, to supply the Products from our warehouse to any corner of the state (Or our territory) within 24 Hours' time.

This has been possible because of our following Infrastructure at our Sachin GIDC, Surat.

Dedicated Godown (Storage) – 10,000 SQFT

Dedicated Logistic manpower – 10 Persons

Dedicated Vehicles- 4 No's Tempo + 1 Maruti Eco

INSURANCE

Our Company has obtained certain insurance coverage to cover certain normal risks associated with its operations. Following are the details regarding the insurance coverage obtained by our company:

Name of the Insurance Company	Type of Policy	Validity Period	Description of Assets covered under the Policy	Policy No.	Total Sum Insured	Premium
Go digit General Insurance Ltd	Employee Medclaim	29 th June 2021 – 28 th June 2022	Employees	D039097771	1,95,00,000	23,010
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	19 th July 2021 – 18 th July 2022	F-13, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004512	10,00,000	1576
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	20th July 2021 – 19th July 2022	Meznine Floor, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004514	56,00,000	5194
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	20th July 2021 – 19th July 2022	M-19, Shreenath Complex, Udhna, Surat	OG-22-2203-4056-00004507	9,25,000	1458
Bajaj Allianz General Insurance Ltd	Building	20th July 2021 – 19th July 2022	U-14, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004503	10,00,000	1576
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	24th July 2021 – 23rd July 2022	U-15, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004511	10,00,000	1575
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	24th July 2021 – 23rd July 2022	F-14, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004515	7,50,000	1182

Name of the Insurance Company	Type of Policy	Validity Period	Description of Assets covered under the Policy	Policy No.	Total Sum Insured	Premium
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	24th July 2021 – 23rd July 2022	F-7, Akashbhumi, Udhna, Surat	OG-22-2203-4056-00004513	10,00,000	928
Bharti Axa General Insurance Co.Ltd.	Bharat Sukhma Udyam Suraksha Policy	10th August 2021 – 09th August 2022	LG-22,24, Shreenath Complex, Udhna, Surat	I6600403	500,000	717
Bajaj Allianz General Insurance Ltd	Bharat Sukhma Udyam Suraksha Policy	13th August 2021 – 12th August 2022	M-16, 17, 18, Shreenath Udhna, Surat	OG-22-2203-4056-00005724	20,00,000	3151
Chola Ms General Insurance	Employee Mediclaim	26th August 2021 – 25th August 2022	Employees	2825/00107795 /000/00	78,00,000	83696
Bajaj Allianz General Insurance Company Limited	Shopkeeper's Policy	12 th September 2021- 11 th September 2022	Fire & Allied Perils, Burglary, Money Insurance, Personal Accident and Public Liability	OG-22-2203-4092-00000292	55,50,000	9521

Our Company believes that our insurance coverage is in accordance with industry custom, including the terms of and the coverage provided by such insurance. Our policies are subject to standard limitations. Therefore, insurance might not necessarily cover all losses incurred by us and Our Company cannot provide any assurance that we will not incur losses or suffer claims beyond the limits of, or outside the relevant coverage of, our insurance policies.

OUR PROPERTIES:

Following are the properties owned / leased by the Company

Sr. No	Details of the Property	Usage	Rights
1.	Shop No. L-1 & Mz Floor Akashbhumi Complex, Bhewad, Surat Gujarat 394221	Registered Office	Leased
2.	Shop No. 1, Plot No. 307/311, Sangam Industrial House, Ankleshwar	Branch office	Leased
3.	Akashbhumi Complex, Shop No.13, Bedwad, Surat	Warehouse	Leased
4.	Akashbhumi Complex, Shop No.14, Bedwad, Surat	Warehouse	Leased
5.	Shop No. M-16, Shrinath Corporation, Opp-Jivan Jyot Cinema Udhna	Warehouse	Leased
6.	Shop No. M-17, Shrinath Corporation, Opp-Jivan Jyot Cinema Udhna	Warehouse	Leased
7.	Shop No. M-18, Shrinath Corporation, Opp-Jivan Jyot Cinema Udhna	Warehouse	Leased
8.	Shop No. M-19, Shrinath Corporation, Opp-Jivan Jyot Cinema Udhna	Warehouse	Leased
9.	Akashbhumi Complex Shop No. U-14, Opp-Brc Staff Quarter Bedwad Surat	Warehouse	Leased
10.	Akashbhumi Complex Shop No. U-15, Opp-Brc Staff Quarter Bedwad Surat	Warehouse	Leased
11.	F-7 Akashbhumi Complex, Opp BRC Colony , Pandesara , Surat	Warehouse	Leased
12.	FF/1 to 3, Sachet-2, Opp GLS, Nr. Maradia Plaza, Off C.G. Road, Ellisbridge, Ahmedabad, Gujarat-380009	Warehouse	Leased

Intellectual Property:-**Trademarks Registered- in the name of our company**

We have applied for registration of the following Trademark with Trademark Registry, Government of India.

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	Applicant	Application No. & Date	Status
1.	SUNRISE EFFICIENT MARKETING LIMITED	35	Device Mark	Sunrise Efficient Marketing Limited	5315914 & February 05, 2022	Applied

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive, and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions.

The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain.

The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see “Government and Other Approvals” on page 229. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

INDUSTRY-SPECIFIC LAWS

Gujarat Shops and Establishment Act, 2019

The Company has its registered office in the state of Gujarat. It has been registered under the Gujarat Shops and Establishment (Regulation of Employment and Conditions of Service) Act, 2019 (Guj. 4 of 2019) on this 15 day of January 2021 as shop/establishment. The Gujarat Shops and Establishment Act, 2019 regulates the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

The Registration Act, 1908

The Registration Act, 1908 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. The purpose of Registration Act is the conservation of evidence, assurances, title and publication of documents and prevention of fraud. Evidence of registration is available through an inspection of relevant land records, which usually contains details of the registered property.

Gujarat Stamp Act, 1958 (the “Stamp Act”)

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 I 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 state.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

Gujarat State Tax on Professions, Trade, Callings and Employments Act, 1976

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 each State is 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 incomes of individuals, profits of business or gains in 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 person 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 person and employer has to obtain the registration from the assessing authority in the prescribed manner.

The Information Technology Act, 2000 (“IT Act”)

The Information Technology Act, 2000 regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource.

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

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 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.

Importer exporter code

In India, exports and imports are regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("FTDRA"), which seeks to develop and regulate foreign trade by facilitating imports into India and augmenting exports from India. Pursuant to the provisions of the FTDRA, every importer and exporter in India must obtain an IEC from the Director General of Foreign Trade ("DGFT") or from any other officer duly authorized under the FTDRA. Failure to obtain the IEC number may lead to penal action under the FTDRA. Further, the DGFT is authorized to suspend or cancel IEC in case of (i) contravention by any person of the provisions of FTDRA or the foreign trade policy or any law relating to central excise or customs or foreign exchange or commission of any other economic offence under any other law specified by the Central Government or (ii) making an export or import in a manner prejudicial to the trade relations of India with any foreign country or to the interests of other persons engaged in imports or exports or bringing disrepute to the credit or the goods of, or services or technology, provided from the country or (iii) importing or exporting specified goods or services or technology, in contravention of any provision of FTDRA or any rules or orders made thereunder or the foreign trade policy. Where any IEC number granted to a person has been suspended or cancelled, the person shall not be entitled to import or export any goods or services or technology except under a special license, granted by the DGFT to that person in a manner and subject to conditions as may be prescribed.

TAX RELATED LAWS

Value Added Tax

Value Added tax ("VAT") is a system of multi-point levies on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period.

VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each State that has introduced VAT has its own VAT Act under which persons liable to pay VAT must register and obtain a registration number from the Sales Tax Officer of the respective State.

The Gujarat Value Added Tax Act, 2003 is applicable to our Company.

Income Tax Act, 1961

The Income-tax Act, 1961 ("IT Act") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its "Residential Status" and "Type of Income" involved. 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 30th September of each assessment year.

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

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a

common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under. It replaces following indirect taxes and duties at the central and state levels.

Professional Tax

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 each State is 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 incomes of individuals, profits of business or gains in vocations. The professional taxes are classified under various tax slabs in India. 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 person 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 person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e., bringing into India from a place outside India or at the time of export of goods i.e., taken out of India to a place outside India. Any Company desirous of importing or exporting any goods is first required to get it registered and obtain an IEC (Importer Exporter Code). The rates of basic customs duty are specified under the Customs Tariff Act, 1975.

LABOUR LAWS

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

The Industrial Disputes Act, 1947 ("ID Act") was enacted to make provision for investigation and settlements of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions in the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman's services. This includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock outs, closures, lay-offs and retrenchment.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is

imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

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

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

The Code on Social Security, 2020

The Government of India has decided to consolidate around 29 central labour laws into 4 codes which are: (a) Code on Wages, 2019, (b) the Code on Social Security, 2020, (c) the Occupational Safety, Health and Working Conditions Code, 2020 and (d) the Industrial Relations Code, 2020. The Code on Social Security, 2020 has been passed by both the houses of parliament and has received the assent of the President on September 28, 2020. However, the Code will be in force from such date the Central Government by notification may appoint. The said Code will subsume various social security, retirement and employee benefit laws like ESI Act, EPF Act, Maternity Benefit Act, Payment of Gratuity Act, etc. Certain other Labour laws and regulations that may be applicable to our Company including the following:

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Page 195 of 419 Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty

The Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 ("ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are

required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. Employers of factories and establishments covered under the ESI Act are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Central Government. Companies which are controlled by the Government are exempt from this requirement if employees receive benefits similar or superior to the benefits prescribed under the ESI Act. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Employees Pension Scheme, 1995

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 58 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

Equal Remuneration Act, 1976

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

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, inter-alia, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

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

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, organizing 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.

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 ("MW Act") came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorized to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (ten) or more employees are employed. Gratuity is payable to an employee on the termination of his employment after he has rendered continuous service for not less than 5 (five) years:

- a) On his/her superannuation;
- b) On his/her retirement or resignation;
- c) On his/her death or disablement due to accident or disease (in this case the minimum requirement of 5 (five) years does not apply).

The Payment of Wages Act, 1936

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

Child Labour Prohibition and Regulation Act, 1986

The Child Labour Prohibition and Regulation Act 1986 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.

Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979

The Inter-State Migrant Workmen's (Regulation of Employment and Conditions of Service) Act, 1979 is applicable to an establishment, which employs five or more inter-state migrant workmen through an intermediary (who has recruited workmen from one State for employment in an establishment situated in another State). The inter State migrant workmen, in an establishment to which this Act becomes applicable, are required to be provided certain facilities such as housing, medical aid, travel expenses etc.

Workmen's Compensation Act, 1923

The Act provides safety to the workman if any personal injury is caused to a workman by accident arising out of and in the course of his employment his employer shall be liable to pay compensation in accordance with the provisions of this Act. Provided that the employer shall not be so liable –

1. In respect of any injury which does not result in the total or partial disablement of the workman for a period exceeding three days;
2. In respect of any injury not resulting in death or permanent total disablement caused by an accident.

INTELLECTUAL PROPERTY LAWS

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Copyright Act, 1957

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trade Marks Act, 1999

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Patents Act, 1970

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

GENERAL LAWS

Indian Contract Act, 1872 (“CONTRACT ACT”)

The Indian Contract Act, 1872 codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced. It provides a framework of rules and regulations that govern formation and performance of contract.

Registrations under the applicable Shops & Commercial Establishments Acts of the respective States in which our Company has an established place of business/office (“Shops Act”)

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner. Such legislations 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.

The Companies Act, 2013

The Act deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between the set of competing factors, namely, management autonomy and investor protection.

The Specific Relief Act, 1963

The Specific Relief Act, 1963 is complimentary to the provisions of the Contract Act and the Transfer of Property Act, as the Act applies both to movable property and immovable property. The Act applies in cases where the Court can order specific performance of a contract. Specific relief can be granted only for purpose of enforcing individual civil rights and not for the mere purpose of enforcing a civil law. “Specific performance” means Court will order the party to perform his part of agreement, instead of imposing on him any monetary liability to pay damages to other party.

Arbitration and Conciliation Act, 1996

This Arbitration and Conciliation Act, 1996 (“Arbitration Act”) was enacted by the Parliament to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards and also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Arbitration Act is to comprehensively domestic arbitration and conciliation; to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration; to provide that the arbitral tribunal gives reasons for its arbitral award; to ensure that the arbitral tribunal remains within the limits of its jurisdiction; to minimize the supervisory role of courts in the arbitral process; to permit an arbitral tribunal to use mediation, conciliation or other procedures during the arbitral proceedings; to encourage settlement of disputes; to provide that every final arbitral award is enforced in the same manner as if it was a decree of the court; to provide that a settlement agreement reached by the parties as a result of conciliation proceedings will have the same status and effect as an arbitral award on agreed terms on the substance of the dispute rendered by an arbitral tribunal; and to provide for enforcement of foreign awards.

Competition Act, 2002

The Competition Act, 2002 ("Competition Act") aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The

Competition Act regulates anticompetitive agreements, abuse of dominant position and combinations. The Competition Commission of India which became operational from May 20, 2009 has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti- competitive agreement, abuse of dominant position or a combination, which even though entered into, arising or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

The Consumer Protection Act, 1986

The Consumer Protection Act ("COPRA") aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services; price charged being unlawful and goods being hazardous to life and safety when used. The COPRA provided for a three-tier consumer grievance redressal mechanism at the national, state and district levels.

The Transfer of Property Act, 1882

The Transfer of Property Act, 1882 ("TP Act") as amended, establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingencies and vested interest in the property. It also provides for the rights and liabilities of the vendor and purchaser in a transaction of sale of land.

The Sale of Goods Act, 1930

The Sale of Goods Act, 1930 ("Sale of Goods Act") governs the contracts relating to sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. The Sale of Goods Act is complimentary to the Indian Contract Act, 1872, and the unrepealed provisions of the Indian Contract Act, 1872, save in so far as they are inconsistent with the express provisions of the Sale of Goods Act, continue to apply to contracts for the sale of goods. A contract of sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of the goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for sale of goods.

Environment Laws:

National Environmental Policy, 2006

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

The Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 ("EPA") is an umbrella legislation designed to provide a framework for the government to coordinate the activities of various central and state authorities established under various laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the Government the power to

take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution.

Environment (Protection) Act, 1986 as amended ("EPA")

EPA provides for the prevention, control and abatement of pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")

Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the Provisions of the Environment (Protection) Act, 1986.

The Water (Prevention and Control of Pollution) Act, 1974

The Water (Prevention and Control of Pollution) Act, 1974 ("Water Act") aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water.

The Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant.

Guidelines for in-use Generator sets (Noise and Emissions)

Central Pollution Control Board (CPCB) has prescribed guidelines for emission and noise pollution of gensets up to 1000 KVA. The said guidelines are effective from January 15, 2008 for system procedure for compliance with noise limits.

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 (Hazardous Wastes Rules") set out the regulations for management and disposal of environmental waste. It mandates that every facility generating hazardous waste must obtain prior approval from the relevant State Pollution Control Board. Particular attention must be paid to the recycling the hazardous waste. In the case of improper handling and disposal, every occupier transporter and the operator of a facility generating hazardous waste are liable for environmental damage and penalties thereunder.

The Public Liability Insurance Act, 1991

The Public Liability Insurance Act, 1991 ("Public Liability Act") , along with the Public Liability Insurance Rules, 1991, require the owner to contribute towards the environment relief fund of a sum equal to the insurance premium paid to the insurer. Further, a liability is imposed on the owner or controller of hazardous substances, in relation to death/injury of a person, or any damage to property arising out of an accident involving such hazardous substances. Vide notification, the Central Government has enumerated a list of hazardous substances covered by the legislation.

OTHER LAWS:

Foreign Exchange Management Act, 1999 ("FEMA")

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

Foreign Direct Investment Policy, 2020

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI

through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN CORPORATE MATTERS

HISTORY AND BACKGROUND

Lejas Hemantrai Desai, the promoter of our Company started his journey in the year 2002, as a sole proprietorship concern named as “Sunrise Marketing And Services” which was into the business of selling lighting products of Asian Electronics Limited as Authorized Dealers (Agents). Later, Lejas Hemantrai Desai founded and incorporated “Sunrise Efficient Marketing Limited” as a Public Limited Company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated July 09, 2020 bearing Registration Number U17299GJ2020PLC114489 issued by the Registrar of Companies, Central Registration Centre, which commenced the business from the Financial Year 2021. Subsequently, the Company amended its object clause vide the member’s resolution dated January 15, 2022 for taking over the entire business of Sunrise Marketing And Services, a sole proprietorship concern of Lejas Hemantrai Desai. A fresh Certificate of Registration dated February 02, 2022 with Corporate Identification Number as U29100GJ2020PLC114489 was issued by Registrar of Companies, Ahmedabad.

CHANGES IN REGISTERED OFFICE OF OUR COMPANY

Date of Resolution	Details of Change	REASONS
December 21, 2021	The registered of our office was changed from Sub Plot No.2, Block B, Akash Bhumi Complex Village Surat -M Corp Surat Gujarat 394150 India to Sub Plot No.2, Block B, Akash Bhumi Complex Village, Surat-M. Corp Surat Gujarat 394221 India.	Change in pincode

MAIN OBJECTS OF OUR COMPANY

The Main Objects clause of the Company as per the Memorandum of Association is as under:

1. To take over running business of M/s Sunrise Marketing And Services Proprietorship concern of Mr. Lejas Desai having PAN No. AFUPD1712M and business address as 28A, Plot No 7f, Akashbhumi Complex, Opp BRC Colony, Pandesara, Surat-394221, Gujarat.
2. To carry on business as traders, distributors, super stockiest, retailers, wholesalers, importers, exporters, agents, dealers, buyers, sellers and manufacturers, fabricators, assemblers, fitters, installers, repairers of all types of FMCG products, Industrial machineries, its spare parts, electrical items, electronic items, mechanical and engineering items, pipes, pipe fittings, sanitation parts, all types of machined and un-machined castings, industrial valves and its spares, Oils, lubricants, all types of motors, pumps, generator sets, batteries and all types of electrical, mechanical, electromechanical & electronic items, and spare parts, accessories used for industrial, domestic and agricultural purposes from time to time.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION (MoA)

Since incorporation, the following amendments have been made to the MoA:

Date of Shareholder's Resolution	Clause	Particulars
January 15, 2022	Object Clause	<p>Altered the Clause III A of Memorandum of Association to be read as under:</p> <p>1.To take over running business of M/s Sunrise Marketing And Services Proprietorship concern of Mr. Lejas Desai having PAN No. AFUPD1712M and business address as 28A, Plot No 7f, Akashbhumi Complex, Opp BRC Colony, Pandesara, Surat-394221, Gujarat.</p> <p>2.To carry on business as traders, distributors, super stockiest, retailers, wholesalers, importers, exporters, agents, dealers, buyers, sellers and manufacturers, fabricators, assemblers, fitters, installers, repairers of all types of FMCG products, Industrial machineries, its spare parts, electrical items, electronic items, mechanical and engineering items, pipes, pipe fittings, sanitation parts, all types of machined and un-machined castings, industrial valves and its spares, Oils, lubricants, all types of motors, pumps, generator sets, batteries and all types of electrical, mechanical, electromechanical & electronic items, and spare parts, accessories used for industrial, domestic and agricultural purposes from time to time.</p>
January 15, 2022	Liability Clause	<p>Clause V of the Memorandum of Association was amended to reflect increase in authorized share capital of the Company from Rs. 100,00,000/- (Rupees One crore) divided into 10,00,000 equity shares of Rs. 10/- each to Rs. 500,00,000/- (Rupees Five crores Only) divided into 50,00,000 Equity shares of Rs. 10/- each.</p>

MAJOR EVENTS, MILESTONES, KEY AWARDS, ACHIEVEMENTS AND ACCOLADES OF OUR COMPANY

The following tables set forth the key events and milestones in the history of our company, since incorporation:

Financial Year	Events
2020	Incorporated as a Public Limited Company in name and style of Sunrise Efficient Marketing Limited
2021	Won Gold Award for Sales Excellence FY 2020-2021 hosted by Bharat Bijlee
2020	Acquired the running business comprising of vendor contracts, customer relationship, distribution agreements, employees and brands of M/s Sunrise Marketing And Services, proprietorship concern of our Promoter.

HOLDING / SUBSIDIARY COMPANY/ JOINT VENTURE AND ASSOICATE

As on the date of this Draft Prospectus, our Company does not have a Holding / Subsidiary Company or any joint venture or any Associate.

STRATEGIC PARTNERS

Our Company does not have any strategic partners as on the date of this Draft Prospectus.

FINANCIAL PARTNERS

Apart from the arrangements with bankers and lenders which our Company undertakes in the ordinary course of business, as on the date of this Draft Prospectus, our Company does not have any financial partners.

TIME AND COST OVERRUN IN SETTING UP OF PROJECTS

As on the date of Draft Prospectus, there have been no instances of time and cost overruns in setting up of our projects.

CAPACITY/ FACILITY CREATION, LOCATION OF PLANTS

For details pertaining to capacity / facility creation, location of plant refers section "*Business Overview*" on page 108 of this Draft Prospectus.

DETAILS OF LAUNCH OF KEY SERVICES, ENTRY IN NEW GEOGRAPHIES OR EXIT FROM EXISTING MARKETS

For details pertaining to launch of key services, entry in new geographies or exit from existing markets, please refer chapter titled "*Business Overview*" on page 108 of this draft Prospectus.

DEFAULTS OR RESCHEDULING / RESTRUCTURING OF BORROWINGS OUR COMPANY WITH FINANCIAL INSTITUTIONS / BANKS

As on the date of Draft Prospectus, there have been no defaults or rescheduling/restructuring of borrowings with any of the financial institutions/banks or conversion of loans into equity in relation to our Company.

ACQUISITION OR DIVESTMENTS OF BUSINESS / UNDERTAKINGS, MERGERS AND AMALGAMATIONS

There are no mergers, amalgamation, etc. with respect to our Company and we have not acquired any business/undertakings since incorporation, except, for the takeover of proprietorship firm of our Promoter namely M/s Sunrise Marketing And Services comprising of vendor contracts, customer relationship, distribution agreements, movable properties, employees and brands.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves in last ten years.

SHAREHOLDERS AND OTHER MATERIAL AGREEMENTS

There are no shareholders and other material agreements, other than those entered into in the ordinary course of business carried on or intended to be carried on by our Company.

DETAILS OF GUARANTEES GIVEN TO THIRD PARTIES BY THE PROMOTER

Other than the guarantees provided by our Promoter in relation to certain of our loans as and when required, our Promoter has not given any material guarantees to any third parties with respect to the Equity Shares as on the date of this Draft Prospectus.

OUR MANAGEMENT

A. BOARD OF DIRECTORS DETAILS ARE AS FOLLOWS

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
HEMANTRAI THAKORBHAI DESAI Designation: Chairman & Whole-time Director DIN: 08787617 Date of Birth: February 17, 1954 Age: 67 years Occupation: Business Address: B-802 Suryam Villa Near Galaxy Circle, Pal Bhatha Surat Gujarat India 394510 Nationality: Indian Original Date of Appointment: July 09, 2020 Change in Designation: April 01, 2021 Period of Directorship: 3 consecutive years with effect from April 01, 2021 and shall be liable to retire by rotation.	Nil
LEJAS HEMANTRAI DESAI Designation: Managing Director DIN: 02488965 Date of Birth: September 18, 1981 Age: 40 years Occupation: Business Address: B 802 Suryam Villa Near Galaxy Circle, Green City Road Pal, Bhatha Chorasi Surat Gujarat India 394510 Nationality: Indian Original Date of Appointment: July 09, 2020 Change in Designation: April 01, 2021 Period of Directorship: 3 consecutive years with effect from April 01, 2021 and shall be liable to retire by rotation.	Private Limited Companies 1. Suniti Hospitality Private Limited
MITALIBEN LEJAS DESAI Designation: Joint Managing Director DIN: 02594823 Date of Birth: April 24, 1983 Age: 38 years Occupation: Business Address: B-802 Suryam Villa Near Galaxy Circle, Green City Road Pal, Bhatha Chorasi Surat Gujarat India 394510 Nationality: Indian	Private Limited Companies 1. Suniti Hospitality Private Limited

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
Original Date of Appointment: July 09, 2020 Change in Designation: April 01, 2021 Period of Directorship: 3 consecutive years with effect from April 01, 2021 and shall be liable to retire by rotation.	
HIREN KUNVERJI SHAH Designation: Whole-time Director DIN: 09506244 Date of Birth: September 04, 1964 Age: 57 years Occupation: Employment Address: G-11 Balaji Avenue Judges Bungalow Road Vastrapur, Ambawadi Vistar Ahmadabad Gujarat 380015. Nationality: Indian Original Date of Appointment: February 15,2022 Change in Designation: NA Period of Directorship: 3 consecutive years with effect from February 15,2022 and shall be liable to retire by rotation.	Nil
PINKAL SURESHBHAI PANCHOLI Designation: Whole-time Director DIN: 09506971 Date of Birth: September 12, 1982 Age: 39 years Occupation: Employment Address: 65 Radhenagar society, Opp. Anmol shopping center, Ichhanath Road Umra, SVR College Olpad Surat, Gujarat 395007. Nationality: Indian Original Date of Appointment: February 15,2022 Change in Designation: NA Period of Directorship: 3 consecutive years with effect from February 15,2022 and shall be liable to retire by rotation.	Nil
KRISHNA PRATIK LANKAPATI Designation: Independent Non-Executive Director DIN: 09505959 Date of Birth: October 15,1987 Age: 34 years Occupation: Profession Address: 42 Khatodara GIDC Behind Subjail Khatodara Sagrampura Putli Surat Gujarat 395002.	Nil

Name, Designation, DIN, Date of Birth, Age, Occupation, Address, Nationality, Original Date of Appointment, Change in Designation and Period of Directorship	Other Directorships as on the date of this Draft Prospectus
Nationality: Indian Original Date of Appointment: February 15,2022 Change in Designation: NA Period of Directorship: 5 consecutive years with effect from February 15,2022 and shall not be liable to retire by rotation.	
PRASHANTKUMAR RAMESHCHANDRA PATIL Designation: Independent Non-Executive Director DIN: 09506276 Date of Birth: August 22, 1982 Age: 39 years Occupation: Service Address: 350, New Ashirwad Villa, St Thomas School, new city light road, Surat Gujarat 395007. Nationality: Indian Original Date of Appointment: February 15,2022 Change in Designation: NA Period of Directorship: 5 consecutive years with effect from February 15, 2022 and shall not be liable to retire by rotation.	Nil
ANURAG DINDAYAL HARLALKA Designation: Independent Non-Executive Director DIN: 08733503 Date of Birth: May 25, 1986 Age: 35 years Occupation: Business Address: B-4, Puja Apartment, Ravi Shankar society, Bhatar Char Rasta, Surat Gujarat 395007. Nationality: Indian Original Date of Appointment: February 15,2022 Change in Designation: NA Period of Directorship: 5 consecutive years with effect from February 15,2022 and shall not be liable to retire by rotation.	Nil

Brief Biographies of our Directors

HEMANTRAI THAKORDAS DESAI is the Chairman and Whole-Time Director of our Company. He has been associated with our Company since its incorporation in July 2020 as a Director. He has over 30 years of experience in the FMCG industry. He holds a bachelor's degree of Arts from the Sardar Patel University, Gujarat. Currently, he is looking after the FMCG division of our Company.

LEJAS HEMANTRAI DESAI is the Managing Director of our Company. He is the Founder and Promoter of our Company. He holds a Diploma in Electrical Engineering from Technical Examinations Board, Gujarat, Gandhinagar. He was previously associated with Sunrise Marketing And Services, his proprietorship concern. Currently, he is looking after overall management of our Company, particularly all business and strategic matters.

MITALIBEN LEJAS DESAI is the Joint Managing Director of our Company. She has been associated with our Company since its incorporation in July 2020 as a Director. She holds a Diploma in Metallurgy Engineering from Technical Examinations Board, Gujarat, Gandhinagar and Post Graduate Diploma in Marketing Management from Government Polytechnic for Girls, Surat. She was previously associated as Admin Head with Sunrise Marketing And Services. Currently, she is looking after overall back-office operations of the Company.

HIREN KUNVERJI SHAH is the Whole-Time Director of our Company. He holds a Diploma in Mechanical Engineering from Bhavsinhji Poly Instt., Bhavnagar. He was previously associated with Bharat Bijlee Limited as General Manager- Western Region & Motors. He is responsible for the overall strategic directions for our Company and is currently leading marketing functions for Motors Divisions.

PINKAL SURESHBHAI PANCHOLI is the Whole-Time Director of our Company. He holds a Bachelor of Engineering in Electrical Engineering from Sardar Vallabhbhai National Institute of Technology, Surat. He was previously associated with Sunrise Marketing And Services, proprietorship concern of our Promoter as Sales and Marketing Manager. He has been associated with our Company since its incorporation in July 2020 as a subscriber to MOA. He is responsible for Sales and Marketing operations of our Company.

KRISHNA PRATIK LANKAPATI is an Independent Non-Executive Director of our Company. She is a Chartered Accountant and has been an Associate member of the Institute of Chartered Accountants of India since 2011. She provides business advisory services in FEMA, tax, debt raising, setting up business and compliance support for companies. She is currently a practising Chartered Accountant under her firm named M/s. Lankapati & co, Surat. She has also worked with Xpanxion UST Global Group and later joined Sokrati Technologies Pvt Ltd (Dentsu Aegis Network Group) as Manager Finance.

PRASHANTKUMAR RAMESHCHANDRA PATIL is an Independent Non-Executive Director of our Company. He holds a Diploma in Electrical Engineering from Dr. S.&S. S.G. College of Engg, Surat. He has been associated with The Surat Electricity Company Limited (formerly known as, Surat and is currently working as Assistant Manager in Automation Department handling operational & maintenance activities.

ANURAG DINDAYAL HARLALKA is an Independent Non-Executive Director of our Company. He holds a Bachelors Degree in Commerce from DRB College, Surat. He is the Founding partner of Power Squad India LLP, a firm engaged in trading of Batteries.

Relationship between our Directors

Except as mentioned below, as on the date of this Draft Prospectus, none of our directors are related to each other as per section 2(77) of the Companies Act, 2013.

Director	Other Director	Relation
Hemantrai Desai	Lejas Desai	Son
	Mitaliben Desai	Son's Wife
Lejas Desai	Hemantrai Desai	Father
	Mitaliben Desai	Spouse
Mitaliben Desai	Lejas Desai	Spouse

Relationship between our Directors and KMPs

As on the date of this Draft Prospectus, none of our directors and KMPs are related to each other, except stated below:

Name	Director	Relation
Hemantraï Desai	Lejas Desai	Son
	Mitaliben Desai	Son's Wife
Lejas Desai	Hemantraï Desai	Father
	Mitaliben Desai	Spouse
Mitaliben Desai	Lejas Desai	Spouse

Details of any arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers and none of our Directors or members of senior management were appointed pursuant to any arrangement or understanding with any major shareholders, customers, suppliers or others.

Service contracts with Directors

Our Company do not have any service contract with the Directors pursuant to which they are entitled to any benefits upon termination of employment.

Borrowing Powers of the 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 the members at the EGM of the Company held on February 15, 2022, pursuant to Section 180(1)(c) and other applicable provisions of the Companies Act and rules made there under, our Board has been authorized to borrow any sum of money from time to time notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up share capital and free reserves of our Company, provided that the total outstanding amount so borrowed shall not any time exceed the limit of ₹ 100 crores.

Terms of Appointment & Remuneration to Executive Directors

Hemantraï Desai

Hemantraï Desai was appointed as a First Director of our Company pursuant to Articles of Association, later, by virtue of a resolution passed by the Board of Directors in its meeting held on February 15, 2022 and by the members in Extraordinary General Meeting held on February 15, 2022 he was re-designated as Chairman and Whole-time Director for a period of three (3) years, liable to retire by rotation for a remuneration of ₹ 75,000 per month.

Lejas Desai

Lejas Desai was appointed as First Director of our Company pursuant to Articles of Association, later, by virtue of resolution passed by our Board of Directors on February 15, 2022 and by the Members in the Extraordinary General Meeting held on February 15, 2022, he was re-appointed as a Managing Director of our Company for a period of three (3) years, liable to retire by rotation for a remuneration of ₹ 1 Lakh per month.

Mitaliben Desai

Mitaliben Desai was appointed as First Director of our Company pursuant to Articles of Association, later, by virtue of resolution passed by our Board of Directors on February 15, 2022 and by the Members in the Extraordinary General Meeting held on February 15, 2022, she was re-appointed as a Joint Managing Director of our Company for a period of three (3) years, liable to retire by rotation for a remuneration of ₹ 75,000 per month.

Hiren Kunverji Shah

Hiren Shah was appointed as a Whole-time Director of our Company, by virtue of resolution passed by our Board of Directors on February 15, 2022 and by the members in the Extraordinary General Meeting held on February 15, 2022 for a period of 3 (Three) years, liable to retire by rotation for a remuneration of ₹ 1.25 Lakh per month.

Pinkal Pancholi

Pinkal Pancholi was appointed as a Whole-time Director of our Company, by virtue of resolution passed by our Board of Directors on February 15, 2022 and by the members in the Extraordinary General Meeting held on February 15, 2022 for a period of 3 (Three) years, liable to retire by rotation for a remuneration of ₹ 50,000 per month.

Compensation paid to Executive Directors during preceding FY 2020-2021

Name of the Directors	Amount (₹ in lakhs)
Hemantrai Desai	8.99
Lejas Desai	8.99
Mitaliben Desai	8.99
Hiren Kunverji Shah	Nil
Pinkal Pancholi	2.37*

* Pinkal Pancholi has been made payment in the capacity of employee during preceding FY 2020-2021.

Payment or benefit to Non -Executive Directors and Independent Directors of our Company

The remuneration paid to our Non - Executive Directors and Independent Directors during Financial year 2020-21 are as follows:

Name of non-executive Directors	Sitting fees (₹)	Commission (₹)	Other remuneration, if any (₹ In Lakhs)
Krishna Lankapati	Nil	Nil	Nil
Prashantkumar Patil	Nil	Nil	Nil
Anurag Harlalka	Nil	Nil	Nil

Remuneration paid or payable to our Directors by our Subsidiaries

There are no subsidiary of our Company. Hence, none of the Directors of our Company has been paid any remuneration, including any contingent or deferred compensation accrued for Financial Year 2021.

Shareholding of Directors in our Company

As per our AOA, our Directors are not required to hold any qualification shares.

The shareholding of our Directors in our Company as on the date of this Draft Prospectus is set forth below:

Name of director	Number of equity shares	Percentage of Pre-Issue Capital (%)
Lejas Desai	20,55,643	56.79
Mitaliben Desai	15,64,201	43.21
Hemantra Desai	32	0.00
Pinkal Pancholi	31	0.00
Total	36,19,907	99.99

Confirmations

None of our Directors is or was a director of any listed companies, whose shares have been or were suspended from being traded on any stock exchanges having nationwide terminals, during the five (5) years preceding from the date of this Draft Prospectus, during their term of directorship in such company.

None of our Directors is or was, a Director of any listed companies, which has been or were delisted from any stock exchange(s), during their term of directorship in such Company.

None of our Directors have been or was identified as a wilful defaulter as defined under SEBI ICDR Regulations.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, 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, trust or company in which he is interested, in connection with the promotion or formation of our Company.

None of the Directors are fugitive economic offender.

Interest of directors

All our Non-Executive Directors including Independent Director may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles. Our executive Directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company. The Directors may also be deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer chapter titled *“Our Management - Shareholding of Directors in our Company”* on page 141 of this Draft Prospectus.

Other than our promoter directors, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Except as stated in the chapter *“Business Overview”* on page 108 of this draft prospectus and in the chapter *“Restated Financial Statement”* on page 165 none of our Directors have any interest in the property acquired or proposed to be acquired by our Company.

Except as stated in *“Restated Financial Statement”* on page 165 and as disclosed in this section, our Directors do not have any other interest in our Company or in any transaction by our Company including, for acquisition of land, construction of buildings or supply of machinery.

Payment of benefits (non-salary related)

Except as disclosed above, no amount or benefit has been paid or given since incorporation or is intended to be paid or given to any of our Directors except the remuneration for services rendered and/or sitting fees as Directors.

Bonus or profit-sharing plan for the Directors

None of the Directors are party to any bonus or profit-sharing plan of our Company.

Changes in the board of directors in the last three (3) years immediately preceding the date of draft Prospectus.

There has been no change in the Board of Directors, except as stated below during the last three (3) years preceding the date of draft Prospectus.:

Sr. No	Name	Date	Designation	Reason
1.	Lejas Desai	February 15,2022	Managing Director	Change in designation
2.	Mitaliben Desai	February 15,2022	Joint Managing Director	Change in designation
3.	Hemantra Desai	February 15,2022	Chairman & Whole-time Director	Change in designation
4.	Hiren Shah	February 15,2022	Whole-time Director	Appointment
5.	Pinkal Pancholi	February 15,2022	Whole-time Director	Appointment
6.	Krishna Lankapati	February 15,2022	Independent Non-Executive Director	Appointment
7.	Prashantkumar Patil	February 15,2022	Independent Non-Executive Director	Appointment
8.	Anurag Harlalka	February 15,2022	Independent Non-Executive Director	Appointment

Corporate Governance

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI Listing Regulations to the extent applicable to the entity whose shares are listed on BSE SME and shall be applicable to us immediately upon the listing of our Equity Shares with the BSE SME. We are in compliance with the requirements of the applicable regulations, including SEBI Listing Regulations, SEBI regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

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

Committees of the Board of directors

Our Board of Directors presently has three (3) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI Listing Regulations: (i) Audit Committee, (ii) Nomination and Remuneration Committee and (iii) Stakeholders Relationship Committee

(i) Audit Committee

Our Company has constituted an Audit Committee as per Section 177 and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014

and applicable Clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines vide resolution passed in the meeting of our Board dated February 21,2022. The constitution of the Audit Committee is as follows:

Name of Director	Position in the Committee	Designation
Krishna Lankapati	Chairman	Independent Non-Executive Director
Anurag Harlaka	Member	Independent Non-Executive Director
Prashantkumar Patil	Member	Independent Non-Executive Director
Bhranti Desai	Member	Chief Financial Officer

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Tenure:

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

Meetings of the Committee:

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

Role and Powers

The Role of Audit Committee together with its powers as Part C of Schedule II of SEBI Listing Regulation, 2015 as amended and Companies Act, 2013 shall be as under:

Role of Audit Committee

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval;
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval, with particular reference to;

- 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;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Offer Document / Prospectus / Notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the listed entity with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. 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;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
 16. Discussing with the 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;
 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. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

19. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act 2013 or referred to it by the Board.
20. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
21. To review the functioning of the whistle blower mechanism;
22. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and;
23. Audit committee shall oversee the vigil mechanism.
24. Audit Committee will facilitate KMP/auditor(s) of the Company to be heard in its meetings.
25. Carrying out any other function as is mentioned in the terms of reference of the audit committee or containing into SEBI Listing Regulations 2015.

Further, the Audit Committee shall mandatorily review the following:

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

(ii) Nomination and Remuneration Committee

Our Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on February 21, 2022. The Nomination and Remuneration Committee presently consists of the following Directors of the Board.

Name of Director	Position in the Committee	Designation
Krishna Lankapati	Chairman	Independent Non-Executive Director
Anurag Harlaka	Member	Independent Non-Executive Director
Prashantkumar Patil	Member	Independent Non-Executive Director

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 the meeting shall be one third of the total strength of the committee or two members, whichever is higher. The Chairperson of the nomination and remuneration committee may be present at the annual general meeting, to answer the shareholders queries; however, it shall be up to the chairperson to decide who shall answer the queries.

Role of Terms of Reference:

1. Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
2. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, KMPs and other employees;
3. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. Devising a policy on diversity of board of directors;
5. 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. Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights;
7. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
8. Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
9. Decide the amount of Commission payable to the Whole Time Directors;
 - Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc; and
 - To formulate and administer the Employee Stock Option Scheme.

(iii) Stakeholders Relationship Committee

Our Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with Rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated February 21, 2022. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

Name of Director	Position in the Committee	Designation
Prashantkumar Patil	Chairman	Independent Non-Executive Director
Krishna Lankapati	Member	Independent Non-Executive Director
Anurag Harlaka	Member	Independent Non-Executive Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Stakeholder's Relationship Committee.

Tenure:

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

Meetings:

The Stakeholders Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

Terms of Reference:

Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the space at back for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
3. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting, and
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

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 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME platform of BSE. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on

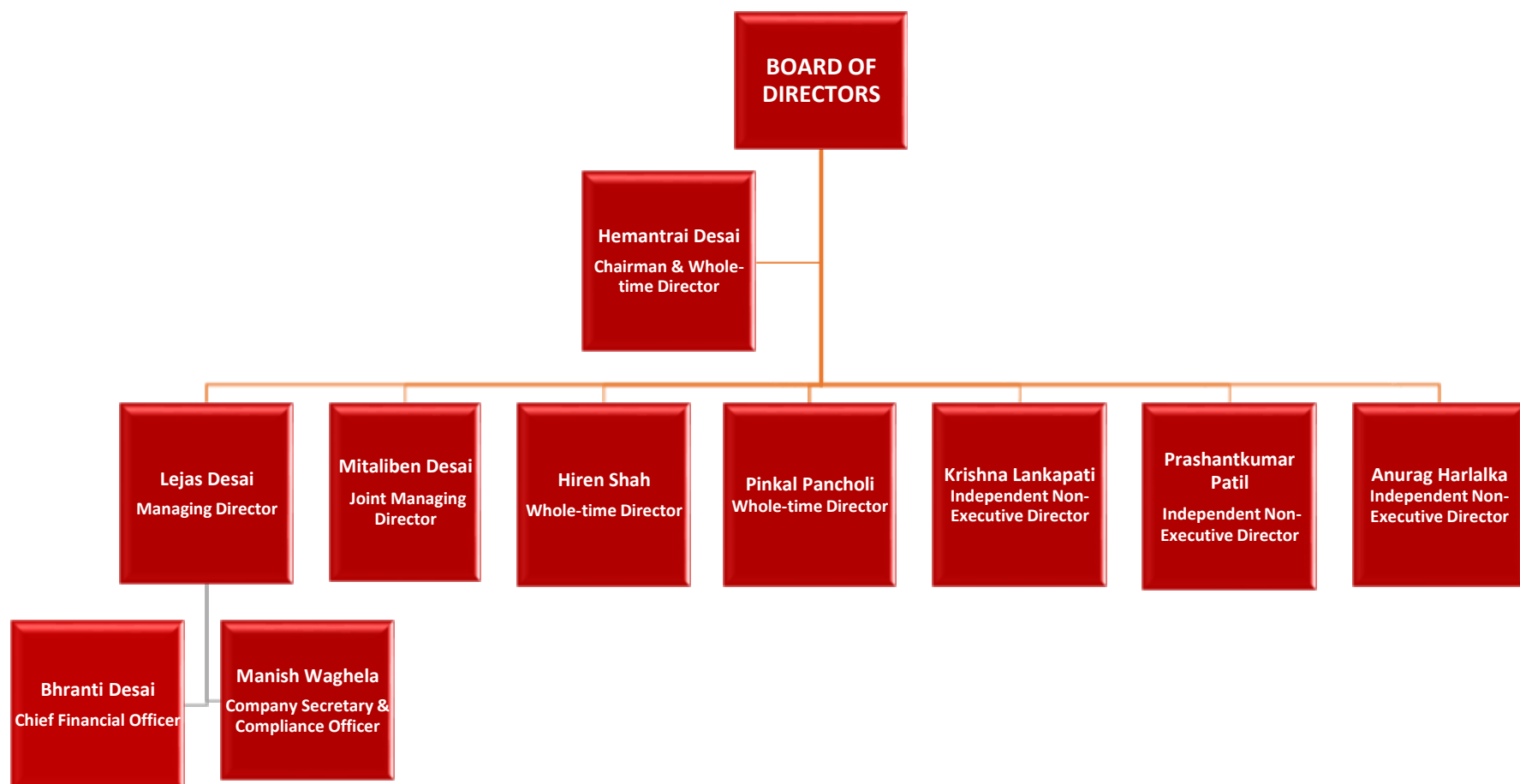
listing of Equity Shares on stock exchanges. The Board of Directors at their meeting held on February 21, 2022 have approved and adopted the policy for prevention of insider trading.

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.

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

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME platform of BSE. The Board of Directors at their meeting held on February 21, 2022 have approved and adopted the policy for determination of materiality and determination of materiality of related party transactions and on dealing with related party transactions.

Management Organization Structure:



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. Following are the Key Managerial Personnel of our Company:

Brief Profile of Key Managerial Personnel:

Manish Vaghela, Company Secretary & Compliance Officer

Manish Vaghela aged 34 years is Company Secretary & Compliance Officer of our Company. He was appointed by our Board of Directors in their meeting held on February 15, 2022. He is an Associate member of the Institute of Company Secretaries of India. He has an overall experience of more than 03 years in the field of Secretarial and Corporate Affairs.

Bhranti Desai, Chief Financial Officer

Bhranti Desai, aged 36 years, is the Chief Financial Officer of our Company. She has been by appointed by the Board of Directors of our company as Chief Financial Officer with effect from February 15, 2022. She holds a Degree of Bachelors of Commerce from K.P. College of Commerce, Surat and Degree of Bachelor of Laws from V.J. Choksi Sarvajanic Law College, Surat. She has also completed Professional Education Examination – I held by The Institute of Chartered Accountants of India. She has an overall work experience of 12 years in the field of insurance, finance and risk management.

Lejas Desai, Managing Director

For the complete profile of Lejas Desai, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see section *“Our Management - Brief Biographies of our Directors”* on page 141 of this Draft Prospectus

Mitaliben Desai, Jt. Managing Director

For the complete profile of Mitaliben Desai, along with details of her educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see section *“Our Management - Brief Biographies of our Directors”* on page 141 of this Draft Prospectus

Hemantra Desai, Whole-Time Director

For the complete profile of Hemantra Desai, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see chapter *“Our Management - Brief Biographies of our Directors”* on page 141 of this Draft Prospectus

Hiren Shah, Whole-Time Director

For the complete profile of Hiren Shah, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see chapter *“Our Management - Brief Biographies of our Directors”* on page 141 of this Draft Prospectus

Pinkal Pancholi, Whole-Time Director

For the complete profile of Pinkal Pancholi, along with details of his educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see chapter *“Our Management - Brief Biographies of our Directors”* on page 141 of this Draft Prospectus

Nature of any family relation between any of the key managerial personnel

Except as mentioned below, as on the date of this Draft Prospectus, none of our Key Managerial Personnel are related to each other:

Name of the KMPs	Name of the KMPs	Relation
Hemantraï Thakordas Desai	Lejas Desai	Son
	Mitaliben Desai	Son's Wife
Lejas Hemantraï Desai	Hemantraï Desai	Father
	Mitaliben Desai	Spouse
Mitaliben Lejas Desai	Lejas Desai	Spouse

Arrangement or understanding with major shareholders, customers, suppliers or others

As on the date of this Draft Prospectus, our Company has no arrangement or understanding with any major shareholders, customers or suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as a Key Managerial Personnel.

Interest of Key Managerial Personnel

Except as disclosed above in "Interest of Directors" with respect to the Whole-time Directors and the personal guarantees given by Lejas Desai, Mitaliben Desai & Hemantraï Desai, our Key Managerial Personnel for securing our borrowings mentioned in "*Financial Indebtedness*" on page 215, our Key Managerial Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and statutory benefits such as gratuity, provident fund and pension entitled to our Key Managerial Personnel. The Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares, if any, held by them in the Company.

Service Contracts with Directors and Key Managerial Personnel

No officer of our Company, including our Directors and the Key Managerial Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment or superannuation, other than statutory benefits.

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

There is no contingent or deferred compensation accrued for Financial Year 2021 and payable to our Directors and Key Managerial Personnel, which does not form a part of their remuneration.

Compensation paid to Key Managerial Personnel during last financial year i.e. 2020-21

For details with respect to the compensation paid to our Key Managerial Personnel during preceding Financial Year 2020-21 refer "*Payment or Benefit to Directors*" of our Company on page 145 and "*Restated Financial Statement*" on page 165 of this Draft Prospectus.

Manish Vaghela has been appointed as Company Secretary and Compliance Officer w.e.f February 15, 2022. Hence, he has not received remuneration during preceding Financial Year 2020-21.

Bhranti Desai has been appointed as Chief Financial Officer w.e.f February 15, 2022. Hence, she has not received remuneration during preceding Financial Year 2020-21.

Bonus or profit-sharing plan for Key Managerial Personnel

None of the Key Management Personnel is party to any bonus or profit-sharing plan of our Company other than the performance linked incentives given to each Key Management Personnel.

Status of Permanent Employment of KMPs

All the key managerial personnel mentioned above are permanent employees of our Company.

Shareholding of the Key Managerial Personnel

None of our Key Managerial Personnel except Lejas Desai, Mitaliben Desai, Pinkal Pancholi & Hemantra Desai holds Equity Shares in our Company as on the date of filing of this Draft Prospectus. For further details, please refer to section titled “*Capital Structure*” beginning on page 63 of this Draft Prospectus.

Changes in Key Managerial Personnel during preceding Three (3) Years

Except as mentioned below, there has been no change in Key Managerial Personnel during the last three (3) years preceding the date of draft Prospectus:

Name of KMP	Date of Change In Designation / Appointment	Designation	Reason
Lejas Desai	February 15, 2022	Managing Director	Change in Designation
Mitaliben Desai	February 15, 2022	Jt. Managing Director	Change in Designation
Hemantra Desai	February 15, 2022	Whole Time Director	Change in Designation
Hiren Shah	February 15, 2022	Appointment	Appointment
Pinkal Pancholi	February 15, 2022	Appointment	Appointment
Bhranti Desai	February 15, 2022	Chief Financial Officer	Appointment
Manish Vaghela	February 15, 2022	Company Secretary & Compliance Officer	Appointment

Attrition of Key Managerial Personnel

None of our key management personnel attrition rate is high as compared to the industry.

Employees’ Stock Option or or Employee Stock Purchase Scheme

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

Payment of Benefits to of Our KMPs (*non-salary related*)

Except as disclosed in this Draft Prospectus other than any statutory payments made by our Company to its KMPs in last three (3) Preceding Financial Years, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled ‘*Restated Financial Statement*’ beginning on page 165 of this Draft Prospectus

OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTER

The Promoter of our Company is Lejas Desai.

As on the date of this Draft Prospectus, our Promoter holds in aggregate 20,55,643 Equity Shares of face value ₹10.00/- each, representing 56.79% of the issued, subscribed and paid-up Equity Share Capital of our Company.

BRIEF PROFILE OF OUR PROMOTER IS AS FOLLOWS:

	<p>Lejas Desai, aged 40 years. He is the Promoter and Managing Director of the Company. He has completed his Diploma in Electrical Engineering in the year 2000. He had worked with Linkup Solutions Pvt Ltd & Shree Marketing Services from the year 2000 to 2002 as Sales Manager. Subsequently, Lejas has started his own venture in the name of “Sunrise Efficient Marketing” as proprietorship since 2002.</p> <p>Date of Birth: September 18, 1981</p> <p>Address: B 802 Suryam Villa Near Galaxy Circle, Green City Road Pal, Bhatha Chorasi Surat Gujarat India 394510.</p> <p>Other Directorship: Suniti Hospitality Private Limited</p> <p>For more details please refer section “Our Management” on page 141 of this Draft Prospectus</p>
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DECLARATION

Our Company confirms that the Permanent Account Number (PAN), Bank Account Number(s), Aadhar Card Number, Driving License Number and Passport Number(s) of our Promoter shall be submitted to SME Platform of BSE Limited at the time of filing this Draft Prospectus.

OTHER VENTURES OF OUR PROMOTER

Other than as disclosed in this section “Our Promoter and Promoter Group” and “Our Group Companies” on page 159 and 165, our promoter is not involved in any other ventures.

CHANGE IN MANAGEMENT AND CONTROL OF OUR COMPANY

The Company is incorporated on July 09, 2020. Our Promoter is the original promoter of the Company and there has not been any change in the management or control of our company since incorporation as on the date of this Draft Prospectus.

INTEREST OF PROMOTER

Interest in Promotion of our Company

Our Company is promoted by Lejas Desai who holds 20,55,643 Equity Shares of our Company as of the date of this Draft Prospectus.

Our Promoter is interested in our Company to the extent of the promotion of our Company and to the extent of his shareholding in our Company and the shareholding of his relatives in our Company and employment related benefits paid by our Company i.e. remuneration and reimbursement of expenses payable to them in such capacities. Further the dividend receivable, if any and other distributions in respect

of the equity shares held by him. For further details, please refer section titled "*Capital Structure*" and "*Management*" beginning on pages 63 and 138, respectively of this Draft Prospectus.

Interest in the properties of our Company

Except as mentioned in the chapter titled "*Business Overview*" on page 108, in the chapter titled "*Restated Financial Statement*" on page 165, neither the Promoter nor any member of the Promoter group have any interest in any property acquired by or proposed to be acquired by our Company since incorporation.

Our Promoter are not interested as members of a firm or company (other than our Company and Sunrise Marketing And Services, proprietorship concern of our Promoter) and no sum has been paid or agreed to be paid to our Promoter except towards consideration for acquiring the running business of Sunrise Marketing And Services or to such firm or company in cash or shares or otherwise by any person, either to induce any of our Promoter to become, or qualify them as a director, or otherwise, for services rendered by such Promoter or by such firm or company in connection with the promotion or formation of our Company.

Other Interest

Except as mentioned in the chapter titled "*Restated Financial Statements*", and "*Business Overview*" on page 165 and 108 respectively, our Promoter is not interested in any transaction for acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

INTEREST OF DIRECTORS

For further details please refer Chapter "*Our Management*" on page 141 of this Draft Prospectus.

INTEREST OF GROUP COMPANY

For further details please refer Chapter "*Our Group Companies*" on page 162 of this Draft Prospectus.

PAYMENT OR BENEFITS TO OUR PROMOTER

Except in the ordinary course of business and as stated in section "*Restated Financial Statements*" beginning on page 165 of this Draft Prospectus, there has been no payment or benefits to our Promoter since incorporation till the date of filing of this Draft Prospectus, nor there is any intention to pay or give any benefit to our Promoter and Promoter Group as on the date of this Draft Prospectus.

GUARANTEES

Except as stated in the chapter titled "*Financial Indebtedness*" and section titled "*Restated Financial Statements*" beginning on page 215 and 165 of this Draft Prospectus, respectively, there are no material guarantees given by the Promoter to third parties with respect to specified securities of the Company as on the date of this Draft Prospectus.

COMPANIES WITH WHICH OUR PROMOTER HAS DISASSOCIATED IN THE LAST THREE (3) YEARS

Our Promoter has not disassociated himself from any firms or companies in the last three (3) years preceding this Draft Prospectus.

OUR PROMOTER GROUP

Our Promoters Group in terms of Regulations 2(1) (pp) of the SEBI (ICDR) Regulations 2018, are as under:

- A. *The natural persons who are part of the Promoter Group (due to their relationships with our Promoter), other than our Promoter, are as follows:***

Relationship With Promoter	Lejas Desai
Father	Hemantra Desai
Mother	Daxaben Desai
Brother	N.A.
Sister	Bhranti Gaurav Desai
Spouse	Mitali Desai
Son	N.A.
Daughter	Niti Desai
Spouse's Father	Late Dilipbhai Desai
Spouse's Mother	Naynaben Desai
Spouse's Brother	N.A.
Spouse's Sister	Sweety Dhaval Desai Amisha Desai

B. Our Promoter Group as defined under Regulation 2(1)(pp) of SEBI ICDR Regulations 2018 includes entities, companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:

1. M/s Sunrise Marketing And Services
2. Investo Scoop LLP
3. Suniti Hospitality Private Limited
4. Niti Enterprise
5. The Amore Banquets
6. Lejas Desai HUF
7. Rokan House

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of the shareholding of our Promoter and Promoter Group as on the date of this Draft Prospectus, please refer chapter titled “*Capital Structure*” on page 63 of this Draft Prospectus.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, for the purpose of identification of “Group Companies”, our Company has considered:

- *companies (other than our Promoter) with which there were related party transactions, during the period for which financial information is disclosed in this Draft Prospectus, as covered under Accounting Standard 18; and*
- *other companies that are considered material by our Board.*

For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI ICDR Regulations, 2018 it is clarified that our promoters and subsidiaries will not be considered as Group Companies

Further, pursuant to the resolution dated February 21, 2022 passed by our Board, other than the companies categorized under (i) above, a company shall be considered “material” and will be disclosed as “group companies” if such companies form part of the Promoter Group and with which there were transactions in the most recent financial year (or relevant sub period, if applicable), which individually or in the aggregate, exceed 5% of the profit after tax of our Company, as per the Restated Financial Statements.

Based on the above definition, the Group Company of the Company: Suniti Hospitality Private Limited

OUR GROUP COMPANY

Suniti Hospitality Private Limited

Corporate Information

Suniti Hospitality Private Limited was incorporated on January 13, 2011. The corporate identity number of Suniti Hospitality Private Limited is U55101GJ2011PTC063650 issued by Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Its registered office is situated at 2nd Floor, Imperial Square Adajan Road, Surat 395009, Gujarat India.

Nature of Activities :

The Company is engaged in the business to run and manage clubs, resorts, hotels, taverns and rest houses.

Financial Performance

As required under the SEBI ICDR Regulations, Sunrise Efficient Marketing Limited shall host the details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and Net Asset Value per share derived from the Audited financial statements for the Financial Years ended March 31, 2021, March 31, 2020 and March 31, 2019 on the website of our Company since **Suniti Hospitality Private Limited** does not have a separate website. Such financial information is available at www.sunriseefficientmarketing.com.

Litigation

Our Group Company is not party to any pending litigation which may have a material impact on our Company. For details, see “Outstanding Litigation and Material Developments – Litigations involving Group Companies” on page 219 of this Draft Prospectus.

Nature and extent of interest of Group Companies

Our Group Companies do not have any interest in the promotion of our Company.

Our Group Companies are not interested in the properties acquired by our Company in the three (3) years preceding the filing of this Draft Prospectus or proposed to be acquired by our Company.

Our Group Companies are not interested in any transactions for acquisition of plant, construction of building or supply of machinery.

Common Pursuits

There are no common pursuits between our Group Companies and our Company.

Related Business Transactions within the group and significance on the financial performance of our Company

Other than the transactions disclosed in the section titled “Restated Financial Statement - Related Party Transactions” on page 165, there are no other business transactions between our Company and Group Companies.

Business interests or other interests

Except as disclosed in the section “Financial Statements - Restated Financial Information-” at page 165, our Group Company do not have or propose to have any business interest in our Company.

Other Confirmations

The equity shares of our Group Company are not listed on any stock exchange. Our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus. For further details, please see the section “Other Regulatory and Statutory Disclosures” beginning on page 232.

None of the securities of our Group Company has been refused listing by any stock exchange in India or abroad during last ten years, nor has our Group Company failed to meet the listing requirements of any stock exchange in India or abroad.

There are no material existing or anticipated transactions in relation to the utilisation of the Issue Proceeds with our Group Company.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and the Companies Act. The declaration of dividend, if any, will depend on a number of factors, including but not limited to the future expansion plans and capital requirements, profit earned during the financial year, capital requirements, and surpluses, contractual restrictions, liquidity and applicable taxes including dividend distribution tax payable by our Company and any other factors considered by our Board of Directors. The Articles of Association also provides discretion to our Board to declare and pay interim dividends. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, please refer chapter titled "*Financial Indebtedness*" on page 215 of this Draft Prospectus.

All dividend payments are made in cash to the Shareholders of our Company. Our Company has not adopted any Dividend Distribution Policy as on the date of this Draft Prospectus since the requirements under Regulation 43A of SEBI Listing Regulations are not applicable to the Company. However, depending upon the availability of distributable profits and fund flow, dividends maybe recommended by the Board of Directors and shall pay dividends in accordance with the provisions of the Companies Act, 2013, the Memorandum of Association and Articles of Association and other Applicable Laws.

Our Company has not declared and/or paid any dividend on the Equity Shares since incorporation.

SECTION VI – FINANCIAL STATEMENTS

RESTATED FINANCIAL STATEMENT

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SBMG & Co.

Chartered Accountants

'Auditor's Report on the Restated Standalone Statement of Assets and Liabilities as on September 30, 2021, March 31, 2021 Profit and Loss and Cash Flows for each of the years/period ended on September 30, 2021, and March 31, 2021, of Sunrise Efficient Marketing Limited (collectively, the "Restated Standalone Summary Statements")

To,
The Board of Directors
Sunrise Efficient Marketing Limited
Sub Plot No. 2, Block B,
Akash Bhumi Complex Village,
Surat – 394221.

Dear Sir/Ma'am,

1. We have examined the attached Restated Standalone Summary Statements along with significant accounting policies and related notes of Sunrise Efficient Marketing Limited (the "Company") for the years/period ended September, 30, 2021, March 31, 2021, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document in connection with its proposed Initial Public Offer ("IPO") on the SME Platform of Bombay Stock Exchange of India Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) 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) The terms of reference to our engagements with the Company requesting us to carry out the assignment, in connection with the Draft Prospectus being issued by the Company for its proposed IPO of equity shares on BSE SME; and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised 2016) issued by the Institute of Chartered Accountants of India ("Guidance Note").
3. The Restated Standalone Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial years/period ended on September, 30, 2021, March 31, 2021.
4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The "Restated Standalone Summary Statement of Assets and Liabilities" as set out in Annexure 1 to this report, of the Company as at September, 30, 2021, March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.

SBMG & Co.

Chartered Accountants

- (ii) The "Restated Standalone Summary Statement of Profit and Loss" as set out in Annexure 2 to this report, of the Company for the years/period ended September, 30, 2021, March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
- (iii) The "Restated Standalone Summary Statement of Cash Flow" as set out in Annexure 3 to this report, of the Company for the years/period ended September, 30, 2021, March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this Report.
5. Based on the above and also as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the financial years/period ended September, 30, 2021, March 31, 2021 we are of the opinion that:
- The Restated Standalone Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting years/period, if any;
 - The Restated Standalone Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments;
 - Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
 - There were no qualifications in the Audit Reports issued by the Statutory Auditors for the financial years/period ended on September, 30, 2021, March 31, 2021 which would require adjustments in this Restated Standalone Financial Statements of the Company;
 - Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 to this report;
 - Adjustments in Restated Standalone Summary Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Standalone Summary Statements;
 - There was no change in accounting policies, which needs to be adjusted in the Restated Standalone Summary Statements except mentioned in clause (f) above;
 - There are no revaluation reserves, which need to be disclosed separately in the Restated Standalone Financial Statements;
 - The company has not proposed any dividend for the said year/period.
6. **Opinion:**
- In our opinion and to the best of information and explanation provided to us, and also as per the reliance placed on reports submitted by previous auditors, the restated financial information of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure 4 are prepared after providing appropriate adjustments and regroupings as considered appropriate and disclosed in Annexure 4.



SBMG & Co.

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7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the financial years/period ended on September, 30, 2021, March 31, 2021, proposed to be included in the Draft Prospectus ("Offer Document") for the proposed IPO.

Annexure of Restated Standalone Financial Statements of the Company: -

- a. Significant Accounting Policies and Notes to Accounts as restated in Annexure 4;
 - b. Reconciliation of Restated Profit and Loss as appearing in Annexure 4 to this report.
 - c. Reconciliation of Restated Equity/Net worth as appearing in Annexure 4 to this report.
 - d. Details of Share Capital as Restated appearing in Annexure 5 to this report;
 - e. Details of Reserves and Surplus as Restated appearing in Annexure 6 to this report;
 - f. Details of Long Term/Short Term Borrowings as Restated appearing in Annexure 7 to this report;
 - g. Nature of Security and Terms of Repayment for Long term/Short Term Borrowings appearing in Annexure 7.1 to this report;
 - h. Details of Long Term/Short Term Provisions as Restated appearing in Annexure 8 to this report;
 - i. Details of Trade Payables as Restated appearing in Annexure 9 to this report;
 - j. Details of Property Plant & Equipment as Restated appearing in Annexure 10 to this report;
 - k. Details of Deferred Tax Assets/Liabilities (Net) as Restated appearing in Annexure 11 to this report;
 - l. Details of Non-Current Investments as Restated appearing in Annexure 12 to this report;
 - m. Details of Long/Short Term Loans and Advances as Restated appearing in Annexure 13 to this report;
 - n. Details of Other Current Assets as Restated appearing in Annexure 14 to this report;
 - o. Details of Trade Receivables as Restated appearing in Annexure 15 to this report;
 - p. Details of Inventories as Restated appearing in Annexure 16 to this report;
 - q. Details of Cash and Cash Equivalents as Restated appearing in Annexure 17 to this report;
 - r. Details of Revenue from operations as Restated appearing in Annexure 18 to this report;
 - s. Details of Other Income as Restated appearing in Annexure 19 to this report;
 - t. Details of Cost of Material Consumed as restated appearing in Annexure 20 to this report;
 - u. Details of Employee Benefit Expense as restated appearing in Annexure 21 to this report;
 - v. Details of Finance Cost as restated appearing in Annexure 22 to this report;
 - w. Details of Other Expense as restated appearing in Annexure 23 to this report
 - x. Statement of Accounting and other ratios as restated appearing in Annexure 24 to this report;
 - y. Statement of Tax Shelter as Restated appearing in Annexure 25 to this report;
 - z. Capitalization Statement as Restated for the period ended September 30, 2021 as appearing in Annexure 26 to this report;
 - aa. Capitalization Statement as Restated for the period ended September 30, 2021 as appearing in Annexure 27 to this report;
8. We, SBMG & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
9. The preparation and presentation of the Restated Standalone Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Restated Standalone Financial Statements and information referred to above is the responsibility of the management of the Company.
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.



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11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. In our opinion, the above financial information contained in Annexure 1 to 28 of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure 4 are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For SBMG & CO.

Chartered Accountants

FRN: 127756W


SUMIT BIHANI, Partner

M.NO.121551

UDIN: 22121551AEEXTK3094

DATE: 25-02-2022

Place: Surat

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 1: Restated Summary Statement of Assets and Liabilities

(Rs in Lakhs)

Particulars	Annexure	As as 30th September	As at 31st March
		2021	2021
Equity and liabilities			
Shareholders' funds			
Share Capital	5	100.00	100.00
Reserves and Surplus	6	330.73	18.37
		430.73	118.37
Non-current liabilities			
Long-Term Borrowings	7	209.13	110.87
Deferred Tax Liabilities (Net)		-	-
Other Long-Term Liabilities		-	-
Long-Term Provisions	8	4.37	1.85
		213.50	112.72
Current liabilities			
Short-term borrowings	7	788.86	572.03
Trade payables	9	744.86	838.19
Short-term provisions	8	101.41	9.85
		1,635.13	1,420.07
Total		2,279.36	1,651.16
Assets			
Non-current assets			
Property, plant and equipment		193.42	104.53
(i) Tangible Assets	10	8.89	7.62
(ii) Capital Work In Progress		-	-
(iii) Intangible Assets		-	-
Deferred tax assets (net)	11	1.19	0.57
Non Current Investments	12	10.00	-
Long-term loans and advances		-	-
		20.08	8.19
Current assets			
Short-term loans and advances	13	28.40	75.52
Other current assets	14	10.24	10.00
Trade receivables	15	1,565.16	1,099.14
Inventories	16	648.03	457.02
Cash and bank balances	17	7.45	1.29
		2,259.28	1,642.97
Total		2,279.36	1,651.16

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information in Annexure 4.

In Terms of Our Audit Report of even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED
Sd/- Sd/-

LEJAS HEMANTRAI
DESAI
(Director)
DIN: 02488965

MITALIBEN LEJAS
DESAI
(Director)
DIN: 02594823

Sd/-

Sd/-

Sd/-

Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094
Place : Surat
Date : 25-02-2022

BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

MANISHA VAGHELA
(Company Secretary)
PAN :AIWPV5770A

Place : Surat
Date : 25-02-2022

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 2: Restated Summary Statement of Profit and Loss

(Rs in Lakhs)

Particulars	Annexure	For the period ended 30th September	For the year ended 31st March
		2021	2021
Revenue			
Revenue from operations	18	2,998.85	2,613.78
Other income	19	7.94	4.74
Total revenue		3,006.79	2,618.52
Expenses			
Cost of materials consumed	20	2,409.38	2,420.93
Employee benefits expense	21	83.84	76.48
Finance costs	22	36.15	31.43
Depreciation and amortisation expense	10	1.57	1.03
Other expenses	23	58.34	63.27
Total expenses		2,589.28	2,593.14
PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		417.51	25.38
Exceptional/Prior Period Items			-
PROFIT BEFORE TAX		417.51	25.38
Tax expense			
Current tax		105.77	7.58
Deferred tax (credit)/charge	-	0.62	0.57
Profit for the period / year		312.36	18.37

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4

In Terms of Our Audit Report of even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED

Sd/-
LEJAS HEMANTRAI DESAI
(Director)
DIN: 02488965

Sd/-
MITALIBEN LEJAS DESAI
(Director)
DIN: 02594823

Sd/-
Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094
Place : Surat
Date : 25-02-2022

Sd/-
BHRANTI DESAI
(CFO)
PAN: ANLPD8136G
Place : Surat
Date : 25-02-2022

Sd/-
MANISHA VAGHELA
(Company Secretary)
PAN :AIWVPV5770A

SUNRISE EFFICIENT MARKETING LIMITED
Annexure 3: Restated Summary Statement of Cash Flows

Particulars	For the year Ended 30th September	For the year ended on 31st March
	2021	2021
A. Cash flow from operating activities		
Profit before tax, as restated	417.51	25.38
Adjustments for :		
Depreciation and amortisation expense	1.59	1.06
Finance costs	36.15	31.43
Interest & Dividend income	(0.25)	(0.01)
Prior Period Adjustment	-	-
Operating profit before working capital changes	455.00	57.86
Changes in working capital:		
(Increase) / decrease Inventories	(191.00)	(457.02)
(Increase) / decrease in Trade Receivables	(466.03)	(1,099.14)
(Increase) / decrease in Other Current Assets	(0.23)	(10.01)
(Increase) / decrease in Loans and Advances and Other Assets	47.10	(75.51)
Increase / (decrease) in Trade Payables	(93.32)	838.19
Increase / (decrease) in Other Liabilities	-	-
Increase / (decrease) in Long Term Provision/ Non Current Liabilities	2.52	1.85
Increase / (decrease) in Long Term Liabilities	-	-
Increase / (decrease) in Short Term Provision	91.55	9.86
Cash generated from / (utilised in) operations	- 154.41	- 733.92
Less : Income tax paid	(105.75)	(7.60)
Net cash flow generated from/ (utilised in) operating activities (A)	- 260.16	- 741.52
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including intangible assets and intangible assets under development)	(2.85)	(8.65)
Capital Work In Progress	-	-
Net of Purchase/ Proceeds from Sale of Investments	-	-
Interest and Dividend Received	0.25	0.01
(Increase) / decrease in Long Term Loans and Advances	-	-
Increase in Investment	(10.00)	-
Net cash flow utilised in investing activities (B)	(12.60)	(8.64)
C. Cash flow from financing activities		
Proceeds from issuance of shares	-	100.00
Proceeds from Security Premium	-	-
Net of Repayment/Proceeds from Short Term Borrowings	216.83	572.03
Net of Repayment/Proceeds from Long Term Borrowings	98.23	110.85
Interest/Finance Charges Paid	(36.15)	(31.43)
Dividend and Dividend Tax Paid		

Net cash flow generated from/ (utilised in) financing activities (C)	278.91	751.45
Net (decrease)/ increase in cash & cash equivalents (A+B+C)	6.15	1.29
Cash and cash equivalents at the beginning of the period/ year	1.29	-
Cash and cash equivalents at the end of the period/ year	7.44	1.29

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 1, 2 and 4

The Cash Flow Statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under Section 133 of the Companies Act, 2013

As per our report of even date attached

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

Sd/-
Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEEXTK3094

Place : Surat
Date : 25-02-2022

For & on behalf of
SUNRISE EFFICIENT MARKETING LIMITED

Sd/-
LEJAS HEMANTRAI DESAI
(Director)
DIN: 02488965

Sd/-
BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

Place : Surat
Date : 25-02-2022

Sd/-
MITALIBEN LEJAS DESAI
(Director)
DIN: 02594823

Sd/-
MANISHA VAGHELA
(Company Secretary)
PAN :AIWVPV5770A

NOTES TO THE RESTATEMENT FINANCIAL STATEMENTS

A. Background of the Company

Lejas Hemantrai Desai, the promoter of our Company started his journey in the year 2002, as a sole proprietorship concern named as "Sunrise Marketing And Services" which was into the business of selling lighting products of Asian Electronics Limited as Authorized Dealers (Agents). In 2004, Sunrise Marketing & Services became Authorized dealer of Bharat Bijlee Ltd for their product-electric motors. In span of year 2004 to 2020, firm continued to grow. They got distributorship license of various other big manufacturers of energy efficient products such as Industrial motors, Pumps, Lubricants, Disks etc.

With a vision of taking this business to next level, In July-2020, Lejas Hemantrai Desai founded and incorporated "Sunrise Efficient Marketing Limited" as a Public Limited Company under the provisions of Companies Act, 2013. The proprietorship firm ceased operating in year 2020 and whole business of firm was continued by the company. Thus, the company has continued working as distributor of various prestigious manufacturers ie. Bharat Bijlee, Elecon, Power build, Yaskawa etc. for sale of energy efficient products such as electric motors, Industrial lubricants, lighting products, Industrial Pumps, Disk etc.

B SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles of India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013 ('the Act'). The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

The company has reclassified the previous year figures in accordance with the requirements applicable in the current year.

The financial statements are presented in Indian rupees.

b. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialized.

c. FIXED ASSETS::

Fixed assets are stated at cost which includes price, duties, levies and any directly attributable cost of bringing the assets to its working condition for the intended use as reduced by any part of the cost reimbursed by Government or otherwise by way of any concession, credits, Cenvat reduction in price, discount etc. or otherwise, at the time of purchase or otherwise subsequently less accumulated depreciation.

d. IMPAIRMENT OF ASSETS.

The carrying value of assets at each balance sheet date is reviewed for impairment. If any indication of such impairment exists, the recoverable amount of those assets is estimated and impairment is recognised, if the carrying amount of those assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting future cash flows to their present value based on appropriate discount factor. When there is indication as at each balance sheet date, that an impairment loss recognised for asset in prior accounting year no longer exists or may have decreased such reversal of impairment loss is recognised.

e. **DEPRECIATION**

Depreciation on the assets have been provided on Written Down Value (WDV) method as per the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

Depreciation on fixed assets purchased / sold during the year is provided on pro-rata basis with reference to the date of addition/disposal thereof.

f. **VALUATION OF INVENTORY**

Finished Goods are valued at lower of cost or net realisable value.

Cost of material and Finished Goods includes the purchase cost (net of any taxes on which credits are received/Receivable) and other incidental cost, to bring such material to its present location and condition.

g. **INVESTMENTS**

Investments are classified into Current and Long-term investments. Current Investments are stated at lower of cost and fair value. Long-term investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long-term investments. However, fixed income long term securities are stated at cost less amortisation of premium/ discount and provision for diminution to recognise a decline, other than temporary.

h. **REVENUE RECOGNITIONS:**

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Revenue from sale of goods is recognised on delivery of the products, when all significant contractual obligations have been satisfied, the property in goods is transferred for a price, significant risks and rewards of ownership are transferred to the customers and no effective ownership is retained. Sales are net of taxes and accounted on mercantile basis.

i. **BAD AND DOUBTFUL DEBTS:**

Provisioning policies for Bad & doubtful Debts/Writing Off, the company examines all debtors accounts continuously and identifies debtors facing difficulties & those who could fail to meet financial commitments to the company, in the previous 12 months. For each of such debtors, the company ceases to accrue future incomes & writes off the entire capital outstanding and accrued expenses.

j. **PRELIMINARY & PRE OPERATIVE EXPENSES :**

Preliminary and pre operative expenditure is amortised over a period of 5 years from the year of commencement of operation

k. **EMPLOYEE BENEFITS**

- a) Short Term Employee Benefits like leave benefit are paid along with salary & wages on a month to month basis.,
- b) Bonus to employees are charged to profit & loss account, on the basis of actual payment on year to year basis.

l. **TAXES ON INCOME:**

Current Tax is determined as the amount of tax payable in the respect of taxable income for the year in accordance with the Income Tax Act.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to timing differences. They are measured using the substantively enacted tax rates and tax regulations as at the balance sheet date.

Deferred tax assets are recognised and carried forward only to the extent there is reasonable certainty that sufficient taxable income will be available in future, against which the deferred tax assets can be realized; however where there is unabsorbed depreciation and carried forward losses, deferred tax assets is created only if there is virtual certainty of realisation of assets

-Tax credit is recognized in respect of Minimum Alternate Tax (MAT) as per the provisions of Section 115JAA of the income tax Act, 1961 based on convincing evidence that the Company will pay normal income tax within the statutory time frame and is reviewed at each balance sheet date.

m. BORROWING COSTS:

- a) Borrowing Costs incurred on Working Capital is charged off to profit & loss account.
- b) In accordance with the requirement of Accounting Standard 16 on "Borrowing Cost" issued by the Institute of Chartered Accountants of India, Borrowing Costs that are attributable to qualifying assets are capitalised till the date of substantial completion of the activities necessary to prepare the relevant assets for its intended use.

n. PROVISIONS/ CONTINGENCIES:

A provision is recognised when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

No provision has been made for liabilities which are contingent in nature but if material, these are disclosed by way of note.

o. CORONAVIRUS (COVID-19) PANDEMIC:

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. On April 25, 2021, the Government of Gujarat ordered a statewide COVID curbs which extended till 03rd June 2021 to prevent community spread of COVID-19 in the state and even further restrictions are still continuing to be imposed either partially or fully in numerous parts of the country in the first quarter of FY – 2021-22, resulting in significant reduction in economic activities. Initial impacts of COVID-19 on the GDP growth in many major economies is likely to be significant in the short term, leading to demand destruction. With gradual opening up of economies and increasing manufacturing activities, demand for most textile products has recovered by the second half of 2021.

The Company issued advisories, guidelines, and guidance documents regularly to encourage early adoption of safety measures and enable business continuity. Communications were timely, accurate, consistent and prioritised the physical and mental wellbeing of all employees, contractors and family members. The company has further adopted the following practices : 1. Enabling working from home through helpful manuals on IT connectivity 2. Guidance resources on coping with stressful situations for employee wellbeing 3. Ways of dealing with personal challenges in new work environments 4. Providing easy access to all important contacts such as medical assistance, IT, among others through frequent reminders 5. Encouraging daily monitoring of health and reinforcing safety and hygiene practices. 6. Encouraging and arranging for Vaccination of all the employees of the company and their relatives.

Post Lockdown, Our company is experiencing ample and significant demand of the products and the same has enabled full utilisation of the available resources of the company..

COVID-19 has forced our company to embrace practices such as social distancing, remote working and increase the adoption of new technologies. These factors have created an ideal situation for cyber criminals to attack IT infrastructure and launch a range of hacking strategies like malware, ransomware, phishing emails among others

Management has assessed the potential impact of Covid 19 based on the current circumstances and expects no significant impact on the continuity of operations of the business on the long term basis/ on useful life of the assets/ on financial positions etc. though there may be lower revenues and production in the near future.

Annexure 4: Statement of Notes to the Restated Financial Information

C. Contingent liabilities and commitments

(i) Contingent liabilities

Particulars	As at 30 September	As at 31 March,
	2021	2021
Claims against the Company not acknowledged as debt		
Custom Duty saved on import of Capital Goods under EPCG Scheme	NIL	NIL
Bank Guarantees	NIL	NIL
Indirect Tax Liability	NIL	NIL
Amount of Capital Commitments	NIL	NIL
Corporate Guarantee Given by Company *	NIL	NIL
	-	-

D. Changes in Accounting Policies in the Periods/Years Covered In The Restated Financials

There is no change in significant accounting policies adopted by the Company.

E. Notes On Restatement Made In The Restated Financials

1) The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

2) Contingent liabilities and commitments (to the extent not provided for) - A disclosure for a contingent liability is also made when there is a possible obligation that may, require an outflow of the Company's resources.

3) Figures have been rearranged and regrouped wherever practicable and considered necessary.

4) The management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required to be provided for.

5) The balances of trade payables, trade receivables, loans and advances are unsecured and considered as good are subject to confirmations of respective parties concerned.

6) Realizations: In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets and loans and advances are approximately of the same value as stated.

7) Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

8) Amounts in the financial statements: Amounts in the financial statements are rounded off to nearest lakhs. Figures in brackets indicate negative values.

Annexure 4: Statement of Notes to the Restated Financial Information

I. Restatement adjustments, Material regroupings and Non-adjusting items

(a) Impact of restatement adjustments

Below mentioned is the summary of results of restatement adjustments made to the audited financial statements of the respective period/years and its impact on profits.

Particulars	For the Half Year Ended 30 September,2021	For the year ended 31 March,2021
	In Lakhs (₹)	In Lakhs (₹)
Profit after tax as per audited financial statements	310.97	19.57
Adjustments to net profit as per audited financial statements		
Increase / Decrease in Expenses/Income (refer note (b)(i) below)	1.86	(1.86)
Excess / Short Provision for Tax/MAT (refer note (b)(ii) below)	-	0.18
Differed Tax Liability / Assets Adjustments (refer note (b)(iii) below)	- 0.47	0.48
Total adjustments	1.39	- 1.20
Restated profit after tax for the period/ years	312.36	18.37

Note:

A positive figures represents addition and figures in brackets represents deletion in the corresponding head in the audited financial statements for respective reporting periods to arrive at the restated numbers.

(b) Explanatory notes for the restatement adjustments

- The Amount relating to the Income / Expenses have been adjusted in the year to which the same related to & under which head the same relates to.
- The Company has provided Excess or Short Provision/MAT in the year in which the Income Tax Return has been filled for the respective financial year But in the Restated Financial Information the company has provided Excess or Short Provision/MAT in the year to which it relates to.
- There is change in deferred tax assets / liabilities as per audited books of accounts and as per restated books for respective financial covered under the restated financial information and the same has been given effect in the year to which the same relates to.

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

(c) Reconciliation of restated Equity / Networth:

Particulars	As at September 30,2021	As at March 31, 2021
	In Lakhs (₹)	In Lakhs (₹)
Equity / Networth as per Audited Financials	430.55	119.56
<u>Adjustment for:</u>		
Difference Pertaining to changes in Profit / Loss due to Restated Effect for the period covered in Restated Financial	0.18	(1.19)
Prior Period Adjustments	-	-
Equity / Networth as Restated	430.73	118.37

To give Explanatory Notes Regarding Adjustment :-

Appropriate adjustment have been made in the restated financial statement, wherever required, by reclassification of the corresponding item of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per audited financial of the company for all the years and the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.

Sunrise Efficient Marketing Limited

Annexure 5: Restated Statement of Share capital

Particulars	As at 30th September	As at 31st March
	2021	2021
Authorised share capital		
Equity shares of Rs. 10 each		
- Number of shares	10,00,000	10,00,000
- Amount in Rs.	100.00	100.00
	100.00	100.00
Issued, subscribed and fully paid up		
Equity shares of Rs. 10 each		
- Number of shares	10,00,000	10,00,000
- Amount in Rs.	100.00	100.00
	100.00	100.00

a) Reconciliation of equity share capital

Particulars	As at 30th September	As at 31st March
	2021	2021
Balance at the beginning of the period/year		
- Number of shares	10,00,000	-
- Amount in Rs.	100.00	-
Add: Shares issued during the period/year		
- Number of shares	-	10,00,000
- Amount in Rs.	-	100.00
Balance at the end of the period/year		
- Number of shares	10,00,000	10,00,000
- Amount in Rs.	100.00	100.00

(a) During the period from 01st April,2020 to 31st March,2021, company has issued 50,000/- number of equity share at a face value of Rs. 10/- at the time of incorporation mentioned in MOA as on July 07, 2020 & 9,50,000/- number of shares at face value of Rs. 10/- by passing a Board Resolution as on August 13,2020.

b) Shareholders holding more than 5% of the shares of the Company

Particulars	As at 30th September	As at 31 March

	2021	2021
Lejas Hemantra Desai		
- Number of shares	5,00,000	5,00,000
- Percentage holding (%)	50.000%	50.000%
Mitali Lejas Desai		
- Number of shares	4,99,950	4,99,950
- Percentage holding (%)	49.995%	49.995%

c) Terms & Rights attached to Equity Shares.

The Company has only one class of share referred to as Equity Shares having a par value of Rs.10/- each. Each holder of Equity Shares is entitled to one vote per share. Dividend on such shares is payable in proportion to the paid up amount. Dividend (if any) recommended by board of directors (other than interim dividend) is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of winding up of the company, the holder of Equity Shares will be entitled to receive any of the remaining assets of the company after all preferential amounts and external liabilities are paid in full. However, no such preferential amount exists currently. The distribution of such remaining assets will be on the basis of number of Equity Shares held and the amount paid up on such shares.

Notes :-

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.
- 2 The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

Sunrise Efficient Marketing Limited

Annexure 6: Restated Statement of Reserves and surplus

Particulars	As at 30 September	As at 31 March
	2021	2021
A. Securities premium account		
Balance at the beginning of the period / year	-	-
Add : On shares issued	-	-
Balance at the end of the period/year	-	-
B. Surplus in the Restated Summary Statement of Profit and Loss		
Balance at the beginning of the period/year	18.37	-
Add / Less :-Prior Period Expense/ Income	-	-
Less: Share Issue	-	-
Add : Transferred from the Restated Summary Statement of Profit and Loss	312.36	18.37
Balance at the end of the period/year	330.73	18.37
Total (A+B)	330.73	18.37

Notes :-

The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.

The above statement should be read with the restated standalone statement of assets & liabilities, Restated standalone statement of Profit & Loss, Restated standalone statement of Cashflow, significant accounting policies & notes to restated summary statements as appearing in annexures 1 , 2 , 3 & 4 respectively.

<p align="center">SUNRISE EFFICIENT MARKETING LIMITED CIN: U17299GJ2020PLC114489 SUB PLOT NO2, BLOCK B, AKASH BHUMI COMPLEX, PANDESARA, SURAT - 394150 (GUJARAT) NOTES TO FINANCIAL STATEMENTS</p>								
SNo.	Lender	Nature of Facility	Loan	Outstanding as on 30th September, 2021	Rate of Interest/ Margin	Repayment Terms	Security / Principal terms and conditions	Collateral Security / Other Condition
2.03 (A) Long Term Borrowings								
1	Axis Bank	Working Capital Term Loan	153.00 Lakhs	93.23 Lakhs	7.90%	36 Equal Monthly Installment of Rs 4.25 Lakhs post moratorium period of 24 months from the date of first disbursement	Stock & Book Debts	Simple Mortgage on Properties as per list mentioned below along with hypothecation of all current assets & movable fixed assets present & future
2.07 (A) Short Term Borrowing								
1	Axis Bank CC	g working capital	150.00 Lakhs	36.92 Lakhs	8.25%	Repayable on Demand	Stock & Book Debts	Simple Mortgage on Properties as per list mentioned below along with hypothecation of all current assets & movable fixed assets present & future
2	Axis Bank CC	For meeting working capital requirement	450.00 Lakhs	450.00 Lakhs	8.50%	Repayable on Demand	Stock & Book Debts	
3	Standard Chartered Bank	The Flexi Loan Facility	300.00 Lakhs	301.95 Lakhs	11.66%	Tenor to repay after withdrawal is 60 days	Fixed Deposit of INR 10 Lacs	

Simple Mortgage of property situated at

Sr. No.	Property Owner	Property Address
1	Mr. Lejas Hemantraï Desai	Mezzanine Floor, F/13, & F/14 Akashbhoomi Complex,Plot No. - 2, Block No. - B, Pandesara, Surat
2	Mrs. Mitaliben Lejas Desai	F/7, U/14 & U/15, Akashbhoomi Complex,Plot No. - 2, Block No. - B, Pandesara, Surat
3	Mr. Hemantraï Thakorbhai Desai	M/16, M/17, M/18 & M19, Akashbhoomi Complex,Plot No. - 2, Block No. - B, Pandesara, Surat
4	Mr. Arif Usman Mistry	22, 23 & 24, Shreenath Complex, Udhna, Surat

Sunrise Efficient Marketing Limited

Annexure 7: Restated Statement of Long- term / Short-term borrowings

Particulars	As at 30 September,2021		As at 31 March ,2021	
	In Lakhs (`)		In Lakhs (`)	
	Long-term	Short-term	Long-term	Short-term
<u>Secured</u>				
(a) Loans from Banks	93.23	788.86	93.30	572.03
(b) Commercial Vehicle Loan	-	-	-	-
	93.23	788.86	93.30	572.03
<u>Unsecured</u>				
(c) Loans from , Directors, Members, Related Parties, & Inter Corporate Deposit				
From Directors, Members, & Related Parties	115.90	-	17.57	-
Inter Corporate Deposits	-	-	-	-
	115.90	-	17.57	-
	209.13	788.86	110.87	572.03

Annexure 8: Restated Statement of Provisions

Particulars	As at 30 September,2021		As at 31 March ,2021	
	In Lakhs (`)		In Lakhs (`)	
	Long-term	Short-term	Long-term	Short-term
Provision for employee benefits:				
Provision for gratuity & Leave Encashment	4.37	0.02	1.85	0.01
Provision for Expenses	-	-	-	-
Provision For Income Tax	-	99.59	-	7.58
Electricity Exp. Payable	-	0.09	-	-
ESIC Payable	-	0.11	-	0.12
PF Payable	-	0.01	-	0.11
Professional Tax Payable	-	0.18	-	0.28
TCS Payable	-	-	-	0.12
TDS Payable	-	1.41	-	1.63
	4.37	101.41	1.85	9.85

Note:

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.

The above statement should be read with the restated standalone summary statement of assets & liabilities, restated

- 2 standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Sunrise Efficient Marketing Limited

Annexure 8.1: Restated Statement of Provisions

The following table sets out the status of the Gratuity Scheme in respect of employees of the Company:

Particulars	As at 30 September	As at 31 March
	2021	2021
Projected Benefit Obligation	4,38,687	1,86,110
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	1,994	1,320
Non Current Liability	4,36,693	1,84,790

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 30 September	As at 31 March
	2021	2021
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate.	Indian Assured Lives Mortality (2012-14) Ultimate.
Retirement Age	60 Years	60 Years
Attrition Rate	10% at younger ages and reducing to 2% at older ages according to graduated scale	5% at younger ages and reducing to 1% at older ages according to graduated scale
<u>Financial Assumption:</u>		
Salary Escalation Rate	7.00% p.a	7.00% p.a
Discount Rate	6.80% p.a	6.85% p.a

The actuarial assumptions used in accounting for the gratuity plan were as follows:

Particulars	As at 30 September	As at 31 March
	2021	2021
<u>Demographic Assumption:</u>		
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ultimate.	Indian Assured Lives Mortality (2012-14) Ultimate.
Attrition Rate	10% at younger ages and reducing to 2% at older ages according to graduated scale	10% at younger ages and reducing to 2% at older ages according to graduated scale
Retirement Age	60 Years	60 Years
<u>Financial Assumption:</u>		
Salary Escalation Rate	7.00% p.a	7.00% p.a
Discount Rate	6.80% p.a	6.85% p.a

Annexure 9: Restated Statement of Trade payables

Particulars	As at 30 September	As at 31 March
	2021	2021
	In Lakhs (₹)	In Lakhs (₹)

Dues of micro and small enterprises (refer note below)	-	-
Dues to others	-	-
Creditors for Goods	715.65	802.35
Creditors for Expenses	29.21	35.84
	744.86	838.19

Note: Micro and Small Enterprises

- 1 The Company has obtained necessary confirmations from suppliers regarding their status under the Micro, Small and Medium Enterprises (MSME) Development Act, 2006 (the 'Act') and hence disclosures regarding the following have not been made:
 - i. Amount due and outstanding to MSME suppliers as at the end of the accounting period / year was Rs.1.13 Crores.
 - ii. Interest paid during the period / year to MSME was NIL
 - iii. Interest payable at the end of the accounting period / year to MSME was NIL
 - iv. Interest accrued and unpaid at the end of the accounting period / year to MSME was NIL

Further that suppliers amounting to 3% were not being able to be traced by Management for the bifurcation needed as per MSME Act,2006 , however the management believes that the figures for disclosures, if any, will not be significant.
- 2 Trade Payables as on 30th September, 2021 has been taken as certified by the management of the company

Sunrise Efficient Marketing Limited

Annexure 10.1: Restated Statement of Property, Plant and Equipment

In lakhs (₹)

Gross block	Air Conditioner	Office Equipments	Plant & Machinery	Computer & Printer	Furniture & Fixtures	Vehicles	Mobile Phone	Total
Balance as at 31 March 2020	-	-	-	-	-	-	-	-
Additions	0.48	-	-	-	-	7.66	0.51	8.65
Balance as at 31 March 2021	0.48	-	-	-	-	7.66	0.51	8.65
Additions	0.15	0.69	0.33	0.06	0.18	-	1.44	2.85
Balance as at 30 September 2021	0.63	0.69	0.33	0.06	0.18	7.66	1.95	11.50
Accumulated depreciation and amortisation								
Balance as at 31 March 2020	-	-	-	-	-	-	-	-
Depreciation charge	-	-	-	-	-	0.96	0.07	1.03
Balance as at 31 March 2021	-	-	-	-	-	0.96	0.07	1.03
Depreciation charge	0.14	0.12	0.03	0.02	0.02	1.04	0.20	1.57
Balance as at 30 September 2021	0.14	0.12	0.03	0.02	0.02	2.01	0.27	2.61
Net block								
Balance as at 31 March 2021	0.48	-	-	-	-	6.70	0.44	7.62
Balance as at 30 September 2021	0.49	0.57	0.30	0.04	0.16	5.65	1.68	8.89

Sunrise Efficient Marketing Limited
Annexure 11: Deferred Tax Assets/Liabilities

Particulars	As at 30 September,2021	As at 31 March,2021
	In Lakhs (`)	In Lakhs (`)
<u>Deffered Tax Assets & Liabilities Provision</u>		
Depreciation As Per Companies Act 2013	1.58	1.04
Depreciation As Per Income Tax Act	1.63	0.65
Difference in WDV	0.05	-
Gratuity Provision	(2.53)	(1.86)
Other Disallowance Including u/s 43B		
Adjustment on account of Section 28 to 44 DA Income tax Act, 1961		
Total Timming Differece	(2.48)	(2.25)
Tax Rate as per Income Tax	25.17%	25.17%
(DTA) / DTL Provision	(0.62)	(0.57)
<u>Deffered Tax Assets & Liabilities Summary</u>		
Opening Balance of (DTA) / DTL	(0.57)	-
Add: Provision for the Year	(0.62)	(0.57)
Closing Balance of (DTA) / DTL	(1.19)	(0.57)

Note:

In accordance with accounting standard 22, Accounting for taxes on income, issued by the institute of Chartered Accountant of India, the Deferred Tax Laibilities (net of Assets) is provided in the books of account as at the end of the year/ (period)

Sunrise Efficient Marketing Limited

Annexure 12: Restated Statement of Non Current Investment

Particulars	As at 30 September,2021	As at 31 March, 2021
	In Lakhs (`)	In Lakhs (`)
<u>Investment</u>		
Investment		
Investments in Mutual Fund	10.00	-
	10.00	-
Note related to Non - Current Investment :-		
(a) Aggregate Value of Quoted Investment:	-	-
(b) Market Value of Quoted Investment:	-	-
(c) Aggregate Amount of Unquoted Investment :	10.00	-

Annexure 13: Restated Statement of Loans and advances

Particulars	As at 30 September,2021		As at 31 March, 2021	
	In Lakhs (`)		In Lakhs (`)	
	Long Term	Short Term	Long Term	Short Term
Loans and Advances to related parties				
Loans Given	-	-	-	-
Others				
GST / VAT Refundable	-	10.43	-	66.30
Income Tax Refund Receivable/TDS receivable/MAT	-	1.47	-	5.93
Prepaid Expenses	-	1.09	-	0.41
Other Advances	-	15.41	-	55.27
	-	28.40	-	127.91

- 1 Advance given to suppliers have been taken as certified by the management of the company.
- 2 No Securitates have been taken by the company against advances given to suppliers.
- 3 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.

4 The Figures disclosed in Fixed Deposit refers to Fixed deposit whose maturity is over and above 12 months. The Fixed deposits are lien marked as security with the bank.

5 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 14 : Other Current Assets

Particulars	As at 30 September,2021		As at 31 March, 2021	
	In Lakhs (`)		In Lakhs (`)	
	Long Term	Short Term	Long Term	Short Term
Fixed Deposit Accounts	-	10.24	-	9.99
Accrued Interest on Fixed Deposit with Banks	-	-	-	0.01
	-	10.24	-	10.00

Note :-

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.
The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to
- 2 restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

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Annexure 15: Restated Statement of Trade Receivables

Particulars	As At 30 September, 2021	As At 31 March, 2021
	In Lakhs (₹)	In Lakhs (₹)
<u>Unsecured & Considered good</u>		
<u>1. From Directors/ Promoters / Promotor Group / Associates</u>		
<u>/ Relative of Directors / Group Companies</u>		
O/s Exceeding 6 Months	-	-
O/s Not Exceeding 6 Months	-	-
	-	-
Less: Provision for doubtful debts	-	-
Other Debts		
O/s Exceeding 6 Months	1,494.04	-
O/s Not Exceeding 6 Months	71.13	1,099.14
	1,565.16	1,099.14
	1,565.16	1,099.14

- 1 As per the view of the Management of the Company there is no doubtful debts and hence provision for doubtful debts have not been made.
- 2 Trade Receivables as on 30 September, 2021 has been taken as certified by the Management of the Company.
- 3 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.
- 4 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 16: Restated Statement of Inventories

Particulars	As At 30 September, 2021	As At 31 March, 2021
	In Lakhs (₹)	In Lakhs (₹)
Stock in Trade - Traded Goods	648.03	457.02
	648.03	457.02

Note :-

Value of Inventories as on 30 September, 2021 has been taken as certified by the management of the company.

Annexure 17: Restated Statement of Cash and Bank Balances

Particulars	As At 30 September, 2021	As At 31 March, 2021
	In Lakhs (₹)	In Lakhs (₹)
Cash and cash equivalents		
Cash on hand	3.37	1.08
Balances with Banks		
In Current Accounts	4.08	0.21
	7.45	1.29
	7.45	1.29

- 1 The figures disclosed above are based on the restated standalone summary statement of assets & liabilities of company.
The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of
- 2 Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 18: Restated Statement of Revenue from operations

Particulars	For the Period ended 30 September 2021	For the year ended 31 March 2021
	In Lakhs (₹)	In Lakhs (₹)
Revenue from operations		
Sale of Goods (Net of Returns)	2,998.85	2,607.01
Sale of Services (Net of Returns)	-	6.77
	2,998.85	2,613.78

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

- 2 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 19: Restated Statement of Other Income

Particulars	For the Period ended 30 September 2021	For the year ended 31 March 2021
	In Lakhs (₹)	In Lakhs (₹)
Other Non Operating Income		
Discount & Kasar	3.04	2.18
Rate Diff./ Cash Disc.	4.65	2.55
Interest on FD	0.25	0.01
	7.94	4.74
Profit before tax	417.51	25.38
% of other income to profit before tax	1.90%	18.68%

Note:

- 1 The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the Company, as determined by the management.
- 2 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .
- 3 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 20. Cost of Material Consumed

Particulars	For the Period ended 30 September 2021	For the year ended 31 March 2021
	In Lakhs (₹)	In Lakhs (₹)
Purchase of Stock in Trade (Net of Returns)	2,600.38	2,877.95
Change in Inventory	191.00	457.02
	2,409.38	2,420.93

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

- 2 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 21: Restated Statement of Employee Benefits Expense

Particulars	For the Period ended 30 September 2021	For the year ended 31 March
	In Lakhs (₹)	In Lakhs (₹)
Director Remuneration	14.97	27.00
Employee Benefit Expense	68.87	49.48
	83.84	76.48

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

- 2 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 22: Restated Statement of Finance Costs

Particulars	For the Period ended 30 September 2021	For the year ended 31 March 2021
	In Lakhs (₹)	In Lakhs (₹)
Interest expense:		
Long Term Interest Expense	0.10	2.56
Short Term Interest Expense	36.05	28.87
	36.15	31.43

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .
The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of
- 2 Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 23: Restated Statement of Other Expenses

Particulars	For the Period Ended 30 September,2021	For the year ended 31 March,2021
	In Lakhs (`)	In Lakhs (`)
Direct Expenses		
Job Work	8.42	15.92
Loading & Unloading Chg.	0.06	2.59
Administrative, Selling and Other Expenses		
Annual Maintenance Charges	-	0.36
Bank Charges	0.25	0.05
Business Development Expense	2.42	1.28
Car Rent	3.00	2.70
Commission Expense	0.35	3.50
Conveyance Expense	-	0.06
Donation	-	2.50
Electricity Expenses	0.72	0.07
Insurance Expenses	0.77	0.30
Interest on Income Tax	0.22	-
Late Fees TCS	0.02	0.01
Loan Processing Fees	1.84	6.00
Office Expense	0.87	1.20
Petrol & CNG Expense	7.02	1.50
Postage & Courier Expense	0.33	0.18
Professional Fees	2.75	0.42
Professional Tax	-	0.02
Rate Diff/Discount/Kasar	-	0.08
Rent Exp. (Office)	20.69	15.00
Repairing & Maintaince Expense	3.43	1.82
Security Charges	0.13	0.13
Staff Welfare Expense	0.61	1.50
Stationery & Printing Expense	0.82	0.73
Telephone Expense	0.36	0.19
Tour & Travelling Expense	0.94	0.49
Transportation	2.00	4.10
Website Development Expenses	0.32	0.57
Total	58.34	63.27
Grand Total	58.34	63.27

1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the company .

2 The above statement sholud be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 24: Restated Statement of Accounting and Other Ratios

Sr. no.	Particulars	For the year ended 30 September 2021	For the Year Ended 31 March 2021
		In Lakhs (₹)	In Lakhs (₹)
A	Net worth, as restated (₹)	430.73	118.37
B	Profit after tax, as restated (₹)	312.36	18.37
C	Weighted average number of equity shares outstanding during the period/ year For Basic/Diluted earnings per share	10,00,000	8,74,528
D	Earnings per share Basic/Diluted earnings per share (₹) (B/C)	31.24	2.10
E	Return on Net Worth (%) (B/A*100)	72.52%	15.52%
F	Number of shares outstanding at the end of the period/ year	10,00,000	10,00,000
G	Net asset value per equity share of ₹ 10 each (A/F)	43.07	11.83
H	Face value of equity shares (₹)	10.00	10.00
I	Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA)	455.23	57.84

Notes :-

1) The ratios have been computed in the following manner :

a)	Basic and Diluted earnings per share (₹)	$\frac{\text{Restated Profit after tax attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period/year}}$
b)	Return on net worth (%) =	$\frac{\text{Restated Profit after tax}}{\text{Restated Net worth as at period/ year end}}$
c)	Net asset value per share (₹)	$\frac{\text{Restated Net Worth as at period/ year end}}{\text{Total number of equity shares as at period/ year end}}$

2) The figures disclosed above are based on the Restated Financial Information of the Company.

3) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted for the number of equity shares issued during the period/year multiplied by the time weightage factor. The time weightage factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

4) Net worth for the ratios represents sum of share capital and reserves and surplus (share premium and surplus in the Restated Summary Statement of Profit and Loss).

5) The above statement should be read with the Statement of Notes to the Restated Financial Information of the Company in Annexure 4.

6) Earning Before Interest , Taxes, Depreciation & Amortization (EBITDA) = PBT+Interest+Depreciation+Amortisation

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 25: Statement of Tax Shelter

Particulars	For the Year ended 30 September	For the year ended 31 March
	2021	2021
Profit before tax, as restated (A)	417.51	25.38
Tax rate (%) (B)	25.17%	25.17%
Tax expense at nominal rate [C= (A*B)]	105.08	6.39
Adjustments		
Permanent differences		
Other Expenses		
Adjustment on account of Section 36 & 37 under Income tax Act, 1961	0.24	2.52
Total permanent differences (D)	0.24	2.52
Timing differences		
Depreciation difference as per books and as per tax	(0.06)	0.39
Adjustment on account of Section 43B under Income tax Act, 1961		
Adjustment on account of Section 28 to 44 DA Income tax Act, Provision for gratuity	2.53	1.86
Total timing differences (E)	2.47	2.25
Deduction under Chapter VI-A (F)		
Net adjustments(G)=(D+E+F)	2.71	4.77
Tax impact of adjustments (H)=(G)*(B)	0.68	1.20
Tax expenses (Normal Tax Liability) (I= C+H) (derived)	105.76	7.59

Notes:

1. The above statement is in accordance with Accounting Standard - 22, "Accounting for Taxes on Income" prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014 (as amended).

2. Figures for the Year ended 31st March 2021 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2021-2022 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2021-22.

3. Figures for the Year ended 30th September 2021 have been derived from the provisional computation of total income prepared by the Company in line with the final return of income will be filed for the assessment year 2022-2023 and are subject to any change that may be considered at the time of filing return of income for the assessment year 2022-23

4. Statutory tax rate includes applicable surcharge, education cess and higher education cess of the year concerned.

5. The above statement should be read with the Statement of Notes to the Standalone Financial Information of the Company.

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 26: Restated Statement of Capitalisation

Particulars	Pre Issue	Post Issue
Borrowings		
Short- term	788.86	788.86
Long- term (including current maturities) (A)	209.13	209.13
Total Borrowings (B)	997.99	997.99
Shareholders' funds		
Share capital	100.00	[-]
Reserves and surplus	330.73	[-]
Total Shareholders' funds (C)	430.73	[-]
Long- term borrowings/ equity* {(A)/(C)}	0.49	[-]
Total borrowings / equity* {(B)/(C)}	2.32	[-]

* equity= total shareholders' funds

Notes:

Short-term borrowings implies borrowings repayable within 12 months from the Balance Sheet date. Long-

- 1 term borrowings are debts other than short-term borrowings and also includes the current maturities of long-term borrowings (included in other current liabilities).
- 2 The above ratios have been computed on the basis of the Restated Standalone Summary Statement of Assets and Liabilities of the Company.
- 3 The above statement should be read with the Statement of Notes to the Restated Standalone Financial Information of the Company

SUNRISE EFFICIENT MARKETING LIMITED

Annexure 27: Statement of Related Party Transaction

Name of Party	Nature of Relation	Nature of Transaction	Amount Outstanding as on 30-09-2021	Amount of Transaction debited in 01-04-2021 to 30-09-2021	Amount of Transaction credited in 01-04-2021 to 30-09-2021	Amount outstanding as on 01/04/2021 Payable/(Receivable)
Lejas Hemantrai Desai	Key Managerial Person	Unsecured Loans	94.75	20.00	114.75	-
		Sundry creditors for expenses	8.69	6.41	9.35	5.75
		Director's Remuneration	2.01	7.64	5.99	3.66
		Loans and Advances	2.40	2.40	-	-
Mitaliben Lejas Desai	Key Managerial Person	Loans and Advances	0.60	0.60	-	-
		Sundry creditors for expenses	1.87	4.16	1.87	4.16
		Director's Remuneration	0.66	7.49	4.49	-
Hemantrai Thakorbhai Desai	Key Managerial Person	Unsecured Loans	3.58	-	3.58	-
		Director's Remuneration	3.57	5.24	4.49	4.32
		Loans and Advances	1.80	1.80	-	-
		Sundry creditors for expenses	2.43	4.43	2.70	4.16
Pinkal Sureshbhai Pancholi	Shareholders	Sundry creditors for expenses	1.37	5.49	2.99	3.87
Gaurav Jayantbhai Desai	Shareholders	Sundry creditors for expenses	0.50	2.99	2.99	0.50
Jatinkumar Rameshbhai Lad	Shareholders	Sundry creditors for expenses	0.25	4.34	4.49	0.10
Hiteshkumar Chauhan	Shareholders	Sundry creditors for expenses	0.35	2.09	2.09	0.35
Bhranti Hemantrai Desai	Directors & Share Holders Relative	Sundry creditors for expenses	0.22	1.26	1.29	0.20
Lejas Hemantrai Desai HUF	Directors & Share Holders Relative	Unsecured Loans	17.57	-	17.57	-
Priyanka Pancholi	Directors & Share Holders Relative	Sundry creditors for expenses	0.70	1.94	2.09	0.55
M/s. Niti Enterprise	Enterprises over which significant influence is exercised	Sundry creditors for goods	0.72	0.00	0.73	-
M/s. Sunrise Marketing & Services	Enterprises over which significant influence is exercised	Sundry creditors for expenses	109.44	360.58	125.43	-
M/s. The Amore Benquets	Enterprises over which significant influence is exercised	Sundry debtors	1.20	1.31	0.79	0.68

In terms of Our Audit Report of even date
For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of SUNRISE EFFICIENT MARKETING LIMITED

sd/-
Sumit Bihani

Partner
M. No. 121551
UDIN:22121551AEEXTK3094
Place : Surat
Date : 25-02-2022

sd/-
LEJAS HEMANTRAI
DESAI
(Director)
DIN: 02488965

sd/-
MITALI LEJAS
DESAI
(Director)
DIN: 02594823

sd/-
BHRANTI DESAI
(CFO)
PAN: ANLPD8136G

sd/-
MANISHA VAGHELA
(Company Secretary)
PAN: AIWPV5770A

Additional Information for Sunrise Marketing And Services.

Our Company acquired the on going business of Sunrise Marketing And Services i.e. the proprietorship concern of our Promoter, Lejas Desai vide business transfer agreement dated July 24, 2020. The restated Profit and Loss for the previous three Financial Years are stated below:

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Annexure 2: Restated Summary Statement of Profit and Loss
(Rs in Lakhs)

Particulars	Annexure	For the year ended 31st March	For the year ended 31st March	For the year ended 31st March
		2021	2020	2019
Revenue				
Revenue from operations	17	2,162.89	4,188.17	3,958.58
Other income	18	19.77	1.61	0.15
Total revenue		2,182.66	4,189.78	3,958.73
Expenses				
Purchase of stock-in-trade (Inclusive change in Inventory)	19	1,771.25	3,847.26	3,645.51
Employee benefits expense	20	76.96	109.00	109.92
Finance costs	21	39.82	66.17	70.74
Depreciation and amortisation expense	10	5.95	10.65	8.41
Other expenses	22	194.79	113.90	114.90
Total expenses		2,088.77	4,146.98	3,949.48
PROFIT BEFORE EXCEPTIONAL & EXTRAORDINARY ITEMS & TAX		93.89	42.80	9.25
Exceptional/Prior Period Items				-
PROFIT BEFORE TAX		93.89	42.80	9.25
Tax expense				
Current tax		24.50	11.83	8.58
Deferred tax (credit)/charge		5.25	5.66	5.74
Profit for the period / year		74.64	36.63	6.41

Note:

The above statement should be read with the Statement of Notes to the Restated Financial Information of the concern in Annexure 4
In Terms Of Our Re-stated Financial Statements for even date

For, SBMG & Co.
Chartered Accountants
Firm Registration No.: 127756W

For & on behalf of SUNRISE MARKETING & Services

sd/-
CA Sumit Bihani
Partner
M. No. 121551
UDIN:22121551AEFPVX5406
Place : Surat
Date : 25-02-2022

sd/-
LEJAS HEMANTRAI DESAI
(Proprietor)

Place : Surat
Date : 25-02-2022

M/s. Sunrise Marketing and Services

Annexure 17: Restated Statement of Revenue from operations

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
Revenue from operations			
Sale of Goods (Net of Returns)	2,162.89	4,188.17	3,958.58
	2,162.89	4,188.17	3,958.58

1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern .

2 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 18: Restated Statement of Other Income

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
Other Non Operating Income			
Discount & Kasar	1.07	0.61	-
Other Income	10.00	0.13	0.15
Incentive Income	-	0.87	-
Rent Income	8.70	-	-
Gain on Sale of FA	-	-	-
	19.77	1.61	0.15
Profit before tax	93.89	42.80	9.25
% of other income to profit before tax	21.06%	3.76%	1.62%

Note:

- 1 The classification of 'Other income' as recurring or non-recurring and related or non-related to business activity is based on the current operations and business activities of the concern, as determined by the management.
- 2 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern . The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.
- 3

Annexure 19. Purchase of Stock In Trade / Change in Inventory

Total	194.79	113.90	114.90
Grand Total	194.79	113.90	114.90

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern .

- 2 The above statement should be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

Annexure 20: Restated Statement of Employee Benefits Expense

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
Employee Benefit Expense	76.06	108.36	104.51
Staff welfare expenses	0.90	0.64	5.41
	76.96	109.00	109.92

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern .
- 2 The above statement sholud be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting

Annexure 21: Restated Statement of Finance Costs

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
<u>Interest expense:</u>			
Bank Interest	-	-	67.99
Interest Expenses	38.68	65.92	2.42
Interest on TDS	0.08	0.19	0.06
Over due Interest	-	-	0.27
Interst On Late Payment	0.63	-	-
GST Interest Charge	0.43	0.06	-
	39.82	66.17	70.74

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern .
- 2 The above statement sholud be read with the restated standalone summary statement of assets & liabilities, restated standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting

M/s. Sunrise Marketing and Services

Annexure 22: Restated Statement of Other Expenses

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
Direct Expenses			
Job Work	103.88	7.72	6.50
Loading & Unloading Chg.	1.31	0.08	5.90
Administrative, Selling and Other Expenses			
Business Development Expense	-	1.88	1.68
Audit Fees	-	0.34	0.30
Bank Charges	0.37	0.35	3.96
Rates & Taxes	0.02	2.42	-
Cleaning Exp	0.19	0.02	-
Computer Maintanance Expenses	-	-	1.19
Commission Expense	10.44	10.64	-
Conveyance Expense	0.72	0.01	-
Digital Signature Exp	-	0.05	-
Labour	-	10.00	0.75
Late filing Fees TDS	0.07	-	-
Electricity Expenses	1.13	1.82	1.77
GST Audit Fees	-	-	0.18
GST late filing Charge	0.05	0.07	-
Insurance Expenses	1.71	1.42	1.53
Internet Expense	0.10	0.05	-
Legal & Professional Expenses	6.56	8.98	1.37
Misc Expenses	0.17	1.57	4.09
Office Expenses	1.56	0.40	5.10
Petrol Expenses	11.29	15.80	20.58
Postage & Telephone Expenses	0.20	0.30	2.06
Printing & Stationary Courier Expenses	0.93	2.12	7.85
Processing Fees	1.55	0.71	-
Rent	28.68	17.27	15.69
Renewal Charges	0.36	1.50	-
Repair & Maintenance Expenses	7.11	6.43	-
Vehicle Repair & Maintenance	-	-	4.62
SMC Tax	-	-	0.17
Sales Promotion Expenses	0.09	0.22	-
Security Service Charge	0.18	0.30	-
Stock Audit Charge	-	0.09	-
Tea Expenses	-	0.06	1.06
Telephone Expenses	0.77	1.08	1.63
Tender Fees	-	0.05	-
Testing & Analysis Charges	-	0.32	-
Transportation Expenses	12.42	15.25	22.85
Travelling Expenses	1.98	4.02	4.01
Water Expneses	-	0.08	0.10
Website Expenses	0.95	0.48	-

Particulars	For the year ended 31 March	For the year ended 31 March	For the year ended 31 March
	2021	2020	2019
Purchase of Stock in Trade (Net of Returns)	1,593.54	3,769.28	3,672.44
Change in Inventory	177.71	77.98	- 26.93
	1,771.25	3,847.26	3,645.51

- 1 The figures disclosed above are based on the restated standalone summary statement of Profit & Loss of the concern .
The above statement sholud be read with the restated standalone summary statement of assets & liabilities, restated
- 2 standalone statements of Profit & Loss, restated standalone statements of Cashflow statement, significant accounting policies & notes to restated summary statements as appearing in annexures 1,2,3 & 4 respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

You should read the following discussion of our financial position and results of operations together with our Restated Financial Statements which have been included in this Draft Prospectus. The following discussion and analysis of our financial position and results of operations is based on our Restated Financial Statements for the period ended September 30, 2021 and for financial year ended March 31, 2021 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial information. Our Financial Statements, as restated have been derived from our audited financial statements for the respective period and years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS, Companies Act, SEBI Regulations and other relevant accounting practices in India. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "*Risk Factors*" and "*Forward Looking Statements*" beginning on pages 24 and 14, respectively, and elsewhere in this Draft Prospectus.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Sunrise Efficient Marketing Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "*Restated Financial Statements*" for the period ended September 30, 2021 and for the Financial Year 2021 beginning on page no. 165 of this Draft Prospectus.

BUSINESS OVERVIEW

We are an ISO 9001:2015 certified Company primarily engaged in the business as traders, distributors, super stockiest, retailers, wholesalers, importers, exporters, agents, dealers, buyers, sellers, fabricators, assemblers, fitters, installers, repairers of all types of Industrial machineries, its spare parts, electrical items, electronic items, mechanical and engineering items, pipes, pipe fittings, sanitation parts, all types of machined and un-machined castings, industrial valves and its spares, Oils, lubricants, all types of motors, pumps, generator sets, batteries and all types of electrical, mechanical, electromechanical & electronic items, and spare parts, accessories used for industrial, domestic and agricultural purposes. We are also distributor for FMCG products.

For further details, please refer section titled "*Business Overview*" beginning on page 108 of this Draft Prospectus

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

After the date of last financial year i.e., March 31, 2021, the following material events have occurred after the last audited period.

1. The Board of Directors of the Company approved the Initial Public Offering of our Company in their meeting held on February 15, 2022.
2. The Shareholders of the Company approved the Initial Public Offering of our Company in their meeting held on February 15, 2022.
3. Our Company has allotted 1,57,025 Equity shares pursuant to Preferential Allotment vide Board Resolution dated March 03, 2022 and shareholder resolution dated March 03, 2022.

4. The Board has allotted 24,62,975 Equity shares pursuant to Bonus Issue vide Board Resolution dated March 04, 2022.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factors*” beginning on page 24 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Volatility in supply and pricing of products;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to attract and retain qualified personnel;
- Substantial capital expenditure & working capital requirements;
- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Default or delay in payment from customers;
- Changes in laws, rules & regulations and legal uncertainties;
- Pricing pressures from the competitive business environment;
- Economic and Demographic condition;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control and
- Our ability to manage risks that arise from these factors.

SIGNIFICANT ACCOUNTING POLICIES

For more details kindly refer to section titled – Restated Financial Statements - Annexure 4 beginning on page 165 of this Draft Prospectus.

DISCUSSION ON RESULTS OF OPERATIONS

The following table sets forth financial data from our restated financial statements of profit & loss for the period ended September 30, 2021 and for the financial year ended March 31, 2021, the components of which are also expressed as a percentage of total revenue for such periods:

(₹ in Lakhs)

Particulars	Half Year ended September 30, 2021		Year ended March 31, 2021	
	₹ in lakhs	%*	₹ in lakhs	%*
(A) REVENUE				
Revenue from Operations	2998.85	99.74	2613.78	99.82
Other Income	7.94	0.26	4.74	0.18
Total Revenue	3006.79	100.00	2618.52	100.00
(B) EXPENDITURE				
Cost of materials consumed	2409.38	80.13	2420.93	110.52
Employee Benefits Expenses	83.84	2.79	76.48	3.49
Finance Costs	36.15	1.20	31.43	1.43
Depreciation and Amortization Expense	1.57	0.05	1.03	0.05
Other Expenses	58.34	1.94	63.27	2.89
Total Expenditure	2589.28	86.11	2593.14	118.38
Profit Before Exceptional and Extraordinary Items and Tax	417.51	13.89	25.38	1.16
Exceptional Items	0.00	0.00	0.00	0.00
Profit Before Extraordinary Items and Tax	417.51	13.89	25.38	1.16
Extraordinary Items	0.00	0.00	0.00	0.00
Profit Before Tax	417.51	13.89	25.38	1.16
Prior Period Items	0.00	0.00	0.00	0.00
Tax Expense:				
(1) Current tax	105.77	3.52	7.58	0.35
(2) Deferred tax	0.62	0.02	0.57	0.03
(3) Excess / Short Tax Provision W/off	0.00	0.00	0.00	0.00
Profit for the year	312.36	10.39	18.37	0.84

*(%) column represents percentage of total revenue.

Key Components of our Statement of Profit and Loss Based on our Restated Financial Statements

Income

Our total income comprises of revenue from operations and other income.

Revenue from Operations

Our revenue from operations represents sale of Motors, Gear box, Lighting, Variable Frequency Drives, Pumps, Lubricant oil, etc. The company is engaged into trading business of Motors, Gear box, Lighting, Variable Frequency Drives, Pumps, Lubricant oil, distribution of FMCG products, etc.

Other Income

Other income includes Interest Income, Discount Income, Cash discounts etc.

Expenditure

Our total expenditure primarily consists of Cost of materials consumed, Employee Benefit Expenses, Finance cost, Depreciation and amortization expenses and Other expenses.

Employee Benefit Expenses

Employee benefit expenses comprises of salaries and wages, bonus, staff welfare expenses, other employee benefits, and director's remuneration.

Depreciation & Amortisation Cost

Depreciation Expenses consist of depreciation on the Tangible assets of our company i.e., Air Conditioner, Furniture & fixtures, Motor Vehicles, Office Equipment, Computer & printer, and Machinery.

Finance costs

Finance cost includes Long-Term and Short- term Interest Expenses.

Other Expenses

Other expenses are divided into two categories: Direct Expenses and Administrative, Selling and other Expenses.

Direct expenses include Job Work, Loading & unloading charges, etc.

Administrative, Selling and other Expenses consists of bank charges, Auditor's Remuneration, Donation, Loan Processing fees, taxes & cess, Electricity Charges, Insurance charges, Printing and stationery cost, Rent, rate and taxes, Advertising expenses, Commission expenses, tours and travels expenses, etc.

Provision for Tax

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date.

Note: Since Our Company was incorporated on July 09, 2020 there is no comparable period.

Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

1. Unusual or infrequent events or transactions

To our knowledge there have been no unusual or infrequent events or transactions that have taken place during the last three (3) years.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "*Risk Factors*" beginning on page 24 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

3. Income and Sales on account of major product/main activities

Income and sales of our Company on account of main activities derives from sale of Motors, Gear box, Lighting, Variable Frequency Drives, Pumps, Lubricant oil, distribution of FMCG products, etc.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section titled "*Risk Factors*" beginning on page 24 of this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

6. Extent to which material increases in net sales or revenue are due to increase in services

Increases in revenues are by and large linked to increases in volume of business.

7. Total turnover of each major industry segment in which the issuer company operated.

The Company is engaged in the trading business of Motors, Gear box, Lighting, Variable Frequency Drives, Pumps, Lubricant oil, distribution of FMCG products, etc., as available, has been included in the section titled "*Industry Overview*" beginning on page 90 of this Draft Prospectus.

8. Status of any publicly announced new products or business segment.

Our Company has not announced any new services or business segment.

9. The extent to which business is seasonal.

Our Company's business is not seasonal.

10. Any significant dependence on a single or few suppliers or customers.

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of contribution of our Company's customers and supplier's vis a vis the revenue from operations and raw materials purchase respectively for the period ended on September 30, 2021 and for the financial year ended as on March 31, 2021 based on Restated Financial Statements are as follows:

Particular	Supplier		Customers	
	As September 30, 2021	at September 30, 2021	As September 30, 2021	at September 30, 2021
Top 10 suppliers/ customers (Rs in Lakhs)	2730.69	2875.67	843.12	787.19
% to total purchase / sales	89.00	83.77	24.27	25.64

11. Competitive conditions.

Competitive conditions are as described under the Sections titled "*Industry Overview*" and "*Business Overview*" beginning on pages 90 and 108, respectively of this Draft Prospectus.

Material developments subsequent to September 30, 2021

Except as disclosed in this Draft Prospectus, there are no significant developments or circumstances that have arisen since September 30, 2021, the date of the last financial statements included in this Draft Prospectus:

Further, except as disclosed in this Draft Prospectus, there are no circumstances that have arisen since September 30, 2021, the date of the last financial statements included in this Draft Prospectus, which materially and adversely affect or is likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

FINANCIAL INDEBTEDNESS

Our Company has availed certain loans in the ordinary course of business.

A. Secured Borrowings

1. Axis Bank Limited

Facility availed from Axis Bank Limited as per Sanction Letter AxisB/SME/Surat West/147/2021-22 dated September 09, 2021.

Sr. No	Nature of Facility	Amount / Limit (in Lakhs)	Sub Limit Interchange ability details	Rate of Interest	Purpose	Outstanding as on September 30, 2021 (₹ in Lakhs)
1.	Cash Credit	600.00	NA	Repo Rate + 3.90 % pa i.e.7.90%	Working Capital	486.92
2.	Working Capital Demand Loan	(550.00)	CC	Repo Rate + 3.65 % pa i.e.7.65%		
3.	Bank Guarantee	(50.00)	CC	75% of Bank Std Charges		
4.	WCTL- ECLGS	93.00	NA	Repo Rate + 3.90 % pa i.e.7.90%	As per existing term	
	Total	600.00				486.92

Common Terms and Conditions

Sr. No	Type of Security	Details	Facilities Covered
1	Mortgage (Collateral)	Immovable Property situated at <ol style="list-style-type: none"> EOM of Commercial Property Office at F/7 Akash Bhumi Complex, Plot No. 2, Block No. B, Pandesara, Surat in name of Mitaliben Lejas EOM of Commercial Property Office at F/13 Akash Bhumi Complex, Plot No. 2, Block No. B, Pandesara, Surat in name of Lejas Hemantra Desai EOM of Commercial Property Office at F/14 Akash Bhumi Complex, Plot No. 2, Block No. B, Pandesara, Surat in name of Lejas Hemantra Desai EOM of Commercial Property Office at U/14 Akash Bhumi Complex, Plot No. 2, Block No. B, Pandesara, Surat in name of Mitaliben Lejas Desai EOM of Commercial Property Office at U/15 Akash Bhumi Complex, Plot No. 2, Block No. B, Pandesara, Surat in name of Mitaliben Lejas Desai 	All facilities

Sr. No	Type of Security	Details	Facilities Covered
		<p>6. EOM of Commercial Property Shop No. M-16 Shreenath Complex Udhna Surat in the name of Desai Hemantraï Thakorbhai</p> <p>7. EOM of Commercial Property Shop No. M-17 Shreenath Complex Udhna Surat in the name of Desai Hemantraï Thakorbhai</p> <p>8. EOM of Commercial Property Shop No. M-18 Shreenath Complex Udhna Surat in the name of Desai Hemantraï Thakorbhai</p> <p>9. EOM of Commercial Property Shop No. M-19 Shreenath Complex Udhna Surat in the name of Desai Hemantraï Thakorbhai</p> <p>10. EOM of Commercial Property Shop No. M-22, 23 & 24 Shreenath Complex Udhna Surat in the name of Arif Usman Mistry</p> <p>11. EOM of Commercial Property Mezzanine Floor, Aakashbhumi Complex Plot No. 2, Block B, Pandesara, Surat in the name of Lejas Hemantraï Desai.</p> <p>• Ranking: Exclusive</p>	
2	Hypothecation (Primary)	<p>Movable Property Details</p> <p>Entire current assets of the firm including stock and book debts, present and future</p> <p>Entire movable fixed assets of the firm including plant and machineries etc present and future</p> <p>• Ranking : Exclusive</p>	All facilities
3	Guarantee (Collateral)	<p>Personal Guarantee of:</p> <p>1. Lejas Desai</p> <p>2. Mitaliben Desai</p> <p>3. Hemantbhai Thakorbhai Desai</p> <p>4. Daxaben Hemantraï Desai</p> <p>5. Arif Usman Mistry</p>	All facilities
4.	Any Addition in sanction term	<p>1. Borrower was to provide CA Certificate to the effect that ATNW (Capital + USL) Rs. 5.15 Crores maintained as on date</p> <p>2. Latest unit visit/ inspection report to be held on record within 30 days from the date of renewal of limit in system</p>	

Sr. No	Type of Security	Details	Facilities Covered
		3. In case of prepayment done within 12 months of renewal provided rate benefit will be reversed with retrospective effect.	

2. Facility availed from Axis Bank Limited as per Sanction Letter AxisB/SME/Surat West/238/2021-22 dated December 15, 2021

Sr. No	Nature of Facility	Amount / Limit (₹ in Lakhs)	Tenor	Rate of Interest	Purpose	Outstanding as on September 30, 2021 (₹ in Lakhs)
1.	Working Capital Term Loan – ECLGS 1 Extension	153.00	60 M (incl. 24M moratorium)	Repo Rate + 3.90 % pa	Working Capital	93.23
	Total	153.00				93.23

Terms and Conditions:

Security	<p>Extension of hypothecation charge on primary securities available for existing securities (if any as per existing structure)</p> <p>Collateral: Extension of Second charge on existing security</p>
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3. STANDARD CHARTERED BANK

Sr. No	Nature of Facility	Amount / Limit (₹ in Lakhs)	Sub Limit Interchange ability details	Rate of Interest	Purpose	Outstanding as on September 30, 2021 (₹ in Lakhs)
1.	Credit Facilities- Flexi loan	300.00	NA	11.66%	Working Capital	301.95
	Total	300.00				301.95

Common Terms and Conditions

Sr. No	Type of Security	Details	Facilities Covered
1.	Lien on Fixed Deposit	First and exclusive charge on the lien on fixed deposit upto Rs.10 Lacs placed / to be placed with Bank and also the renewals / rollovers of any such existing and future deposits from time to time, as a security for credit facility of Rs.3.50 Crs sanctioned to the Company.	All facilities

Unsecured Borrowings

In addition to the secured borrowings availed by us from banks, we have also availed certain Unsecured Borrowings. Set forth below is a brief summary of Unsecured Borrowings as of September 30, 2021.

Sr. No	Particulars	Amount (₹ in Lakhs)
1.	From Director's & Relatives	
	-Hemantra Desai	3.58
	-Lejas Desai	94.75
	-Lejas Desai HUF	17.57
	Total	115.90

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding, (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes, in a consolidated manner; or (iv) other material litigation as per the Materiality Policy, in each case involving our Company, Promoters or Directors (collectively, the “Relevant Parties”). Further, there are no (i) disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges in the last five years against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation is in excess of 5% of the Net Profit After Tax as per the Restated Consolidated Financial Information or where the monetary liability is not quantifiable, if the outcome of any such pending litigation may have a bearing on the business, operations, performance, prospects or reputation of our Company (as determined by our Company).

Further, it is clarified that for the purpose of the above, pre-litigation notices received by any of the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities) shall, in any event, not be considered as litigation and accordingly have not been disclosed in this section until such time that the Relevant Parties, as applicable, are impleaded as defendants in litigation proceedings before any judicial or quasi-judicial forum. Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

A. LITIGATION INVOLVING OUR COMPANY

I . Litigation against our Company:

- (i) Litigation involving Criminal Laws: Nil
- (ii) Litigation involving actions by Statutory / Regulatory Authorities: Nil
- (iii) Litigation involving actions by Direct / Indirect Tax Authorities: Nil
- (iv) Litigation involving Civil Laws:
 - a. **Summary suit no. 33 of 2019 (UNDER ORDER OF XXXVII OF THE CODE OF CIVIL PROCEDURE, 1908)-REMI ELECTROTECNIC LIMITED V/S M/S SUNRISE MARKETING & SERVICES & LEJAS HEMANTRAY DESAI PROP OF SUNRISE MARKETING & SERVICES**

(M/s Sunrise Efficient Marketing Limited was previously known as Sunrise Marketing & Services were established in the year 2000 and incorporated as Company on 09th July, 2020. However, the matter is still pending)

The plaintiff had filed a petition against Sunrise Marketing & Services on 07/10/2019 who had failed and neglected to make the balance payment ₹ 14,62,838/- (Rupees Fourteen Lakhs Sixty Two Thousand Eight Hundred Thirty Eight Only) within a week time, as per the agreed terms and conditions of the payments mentioned in the respective challan cum tax invoices, wherein, the plaintiff already sold, supplied and despatched the goods to the defendant through transport from time to time and the defendant took the delivery of the said goods without raising of any disputes in respect of quality and quantity thereof.

The plaintiff praying before the Civil Judge Senior Division Vasai with Civil Complaint No. **33/2019** (Hon’ble court) to pass an order and decree directing the Defendant to the plaintiffs the sum of ₹ 14,62,838/- (Rupees Fourteen Lakhs Sixty Two Thousand Eight Hundred Thirty Eight Only) for the particulars claim mentioned below alongwith further interest on ₹ 14,62,838/- (Rupees Fourteen

Lakhs Sixty Two Thousand Eight Hundred Thirty Eight Only) at the rate of 24% per annum from the date of filing of the suit till payment/ or realization of the said sum. This matter is currently pending before Civil Judge Senior Division Vasai

(v) **Litigation involving actions by Direct / Indirect Tax Authorities: Nil**

(vi) **Other Pending Litigations: Nil**

II. Litigation by our Company

(i) **Litigation involving Criminal Laws: Nil**

(ii) **Litigation involving Civil Laws: Nil**

(iii) **Litigation involving actions by Statutory / Regulatory Authorities: Nil**

(iv) **Litigation involving actions by Direct / Indirect Tax Authorities: Nil**

(v) **Other Pending Litigations: Nil**

B. LITIGATION INVOLVING OUR DIRECTORS

I. Litigation against our Directors

(i) **Litigation involving Criminal Laws: Nil**

(ii) **Litigation involving Civil Laws:**

(iii) **Litigation involving actions by Statutory / Regulatory Authorities: Nil**

(iv) **Litigation involving actions by Direct / Indirect Tax Authorities:**

1) MRS. MITALIBEN LEJAS DESAI (Assessee), the director of the company, a Notice of demand issued under section 156 of the Income-Tax Act, 1961 by the Income Tax Department against the director.

The assessee filed her e-return of income declaring total income of Rs.9,86,080/- and agriculture income of ₹ 6,10,000 on 06/09/2017 for A.Y. 2017-18. The case was selected for Scrutiny through CASS and accordingly notice u/s. 143(2) of the Act was issued on 11/08/2018 and served upon the assessee. As per Instruction No. 01/2018, dated 12/02/2018, assessment proceedings in cases selected for scrutiny would be conducted electronically in 'E-Proceeding'.

Thereafter, the notice u/s. 142(1) of the Act was issued on 13/08/2019 and 27/08/2019 were issued the assessee. The assessee sought for adjournment which was granted upto 07/10/2019. Further notices dated 14/10/2019 and a show cause notice dated 30/11/2019 was issued to the assessee calling for necessary details and explanation in connection with her scrutiny assessment proceedings.

Tax Authority directed further to, assessed u/s. 143(3) of the Income-tax Act, Calculate tax and charge interest u/s 234A and 234B of the I. T. Act. Give credit of prepaid taxes and Issue demand notice, challan accordingly. Issue penalty notice u/s. 271AAC of the I.T. Act for of income determined u/s. 69A of the Act and u/s 68 of the Act.

2) MR. LEJAS HEMANTRAI DESAI, the director of the company, a notice has been issued dated 12/11/2021 vide F.No VII/TRAN-1/09/R-1/2021, by the CSGT & CE, audit commissioner, Surat against MR. LEJAS HEMANTRAI DESAI, that inadmissible credit/ITC has been availed by him on verification of Trans-1.

In the view of the above, the director is liable to pay the applicable interest and penalty on wrong availment of credit/ ITC.

(v) **Other Pending Litigations: Nil**

II. LITIGATION BY OUR DIRECTORS

(i) Litigation involving Civil Laws:

- a. Commercial Civil Suit No. 24/2019-** M/s. Niti Enterprise, through Administrator Mitali L. Desai v/s M/s. Innovative Agency, Administrator Yogeshbhai M. Mehta of M/s. Innovative Agency, Administrator Jayendrabhai Shah of M/s. Innovative Agency

The present suit being filed through an Advocate on 21/05/2019, for the recovery of legal dues of the plaintiffs amounting to Rs.13,85,949/-. The cause of an action to file present suit arise when the defendants of this case have misused the cheques obtained by way of security deposit without the knowledge the plaintiff and thereafter defendants issued wrong notice u/s.138 of the Negotiable Instruments Act on date 18.02.2012. This matter is currently pending before Hon'ble Court of Principal Civil Judge Senior Division at Gujarat, Surat.

- b. Commercial Suit no. 13/2022** - Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s (1) Capto Engineering Co., (2) Manishbhai Thakorbhai Patel (3) Shilpesh Thakorbhai Patel (4) Manjulaben Thakorbhai Patel

The present suit being filed on 01/12/2022, for the recovery of an outstanding dues amounting ₹ Rs.25,99,521/- (Rupees twenty-five lakhs ninety-nine thousand five hundred twenty-one only) along with 24% interest i.e Rs.15,06,791/-, against the defendant, towards purchase of goods, subject to the bills. The cause of action to file present suit arise when the defendants of this case entered into Contracts for Purchase of Goods of industrial equipments (together as "Purchase Contracts" and individually as "Purchase Contract").

The respondents used to purchase goods regularly from the plaintiff as per their business requirement since 2013-14 and after purchasing such goods, paying legal dues of the plaintiff regularly towards the purchased goods. During the year 2018-19, business conducts of the respondents changed with the plaintiff and came to know that the respondents purchasing less goods relatively. And after September, 2019 the respondents stopped purchasing goods from the plaintiff and the respondents have not made payment for the goods purchased during September 2018 to September 2019.

Capto Engineering Co., Manishbhai Thakorbhai Patel, Shilpesh Thakorbhai Patel, Manjulaben Thakorbhai Patel, on account of failure to pay the dues, Lejas Hemantray Desai Prop of Sunrise Marketing & services, through Advocate on 12/01/2022 initiated a legal action And filed a commercial Civil suit Under Code of Civil Procedure, 1908 under section 002 against the respondent before the Additional Chief Judicial Magistrate First Class, Gujrat , Surat with filing number No.13/2022 for recovery of dues. The matter is currently pending in the court.

ii. Litigation involving Criminal Laws:

- a. Criminal Complaint No.1954/2020** - Lejas Hemantrai Desai Proprietor of Sunrise Marketing & services v/s Pankil Rasiklal Shah

The present complaint duly filed on 15/01/2020, for the Accused of the Case who has received Goods of Gulf Company's Oil through an agent Mr. Pinkal Pancholi viz bills aggregating an amount of ₹ 12,89,895/- (Rupees Twelve Lakh Eighty Nine Thousand Eight Hundred Ninety Five Only) from the complainant as per his business requirement and also used it for his own purpose. However, after many follow ups, the accused has sent cheques for an amount of Rs. 6,36,314 in various parts to the complainant through agent Mr. Pinkal Pancholi:

The Cheques were presented by the Complainant in his bank for payment and the same were returned uncleared with remarks "Funds Insufficient", "Payment Stop by drawer" and Amount blocked etc.

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues, by the defendant (Pankil Rasiklal Shah) the Director of the Company Mr. Lejas Hemantra Desai Prop of Sunrise Marketing and Services ("Plaintiff"), initiated a legal action and filed a Criminal Complaint through an Advocate Under Criminal Procedure Code (CrPC) against the defendant in relation to the said dishonour of the Cheques for Offence Punishable Under Sec 138 And 141 Of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujarat, Surat with Criminal Complaint No. **1954/2019** for recovery of debt. The matter is currently pending in the court.

b. Criminal Complaint No. 181/2020- Lejas Hemantra Desai Prop of Sunrise Marketing & services v/s Pankil Rashiklal Shah

The present complaint duly filed on 15/01/2020, for the Accused of the Case who has received Goods of Gulf Company's Oil through an agent viz bills aggregating an amount of ₹ 12,89,895/- (Rupees Twelve Lakh Eighty Nine Thousand Eight Hundred Ninety Five Only) from the complainant as per his business requirement and also used it For his own Purpose. However, after many follow ups, the accused has sent cheques of Rs. 6,36,314 to the complainant through agent:

The cheques were returned from the bank without payment with an endorsement of insufficient funds and payment stop by drawer on date 25.03.2019. Therefore, the plaintiff contacted defendant through agent at that time defendant informed that due to business problems at present he needs time for the payment.

Gulf oil goods worth Rs.12,89,895/- duly sold by the Plaintiff to the defendant, in his own manner towards the said sold goods, the defendant paid only Rs.1,39,745/- and have not taken care to pay plaintiff's legal dues, and therefore present suit duly require to be filed by the plaintiff for recovery of its balance amount Rs.11,50,150/- from the defendant, and as per business practice 24% interest amounting to Rs.4,36,032.68/- **totalling outstanding legal dues Rs.15,86,182.68**

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant, the Director of the Company Mr. Lejas Hemantra Desai, Prop of Sunrise Marketing And Services initiated a legal action through Advocate and filed a commercial civil suit under Code of Civil Procedure, 1908 against the defendant (Pankil Rasiklal Shah) under section 002 before the principal senior civil judge, Gujrat, Surat with Complaint No. **181/2020**. The matter is currently pending in the court.

c. Criminal Complaint 1072/2020- Lejas Hemantra Desai Prop of Sunrise Marketing & services v/s Pankil Rashiklal Shah

The present complaint duly filed on 06/10/2020, for the Accused of the Case who has received Goods through an agent viz bills aggregating an amount of ₹ 12,89,895/- (Rupees Twelve Lakh Eighty Nine Thousand Eight Hundred Ninety Five Only) from the complainant. However, after many follow ups, the accused has sent following cheques of Rs. 6,36,314, to the complainant through agent:

The complainant deposited above cheques in his bank on 22/1/2019 as per instruction of the accused and Pinkalbhair, but returned uncleared with remarks "Account Blocked".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Pankil Rasiklal Shah), the Director of the Company Mr. Lejas Hemantra Desai Prop of Sunrise Marketing And Services (Plaintiff) initiated a legal action through an Advocate and filed a complaint against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 406, 409, 420, & 470 of The Indian Penal Code (IPC) before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Complaint No. **1072/2020** for recovery of debt. The matter is currently pending in the court.

d. **Criminal Complaint no. 27232/2020- Lejas Hemantrai Desai Prop of Sunrise Marketing & services v/s Pankil Rashiklal Shah**

The present complaint duly filed on 08/12/2020, for the accused of this case who have purchased goods as per his requirement from the plaintiff through agent. In context of the same, Defendant had issued following cheques of Rs. 1,00,000 to pay for their debt for purchase of goods.

The cheques were re-deposited by plaintiff on 24/09/2020 as directed by defendant. However, these cheques were returned from the bank without payment with an endorsement of insufficient funds.

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Pankil Rasiklal Shah), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing And Services (Plaintiff) through an Advocate initiated a legal action through Advocate and filed a complaint against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 of the Negotiable instruments Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Complaint No.27232/2020 for recovery of debt. The matter is currently pending in the court.

e. **Criminal Complaint no. 9422/2020- Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe)**

The present complaint duly filed on 20/02/2020, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **10,89,695/-** (Rupees Ten Lakh Eighty Nine Thousand Six Hundred and Ninety Five only) from the complainant as per his business requirement from the Complainant. However, after many follow ups, the accused has sent following cheques to the complainant towards part payment of legal business dues and the accused has promised and informed that on presentation of cheques of Rs. 2,16,223 on its date in the bank, it will be cleared:

The complainant has deposited it in his bank "Yes Bank", Surat Branch as per instruction of the complainant on 17/12/2019. These cheques returned uncleared on 18/12/2019 with remarks "Funds Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing And Services ("Plaintiff) initiated a legal action through an Advocate and filed a Criminal Complaint Under Criminal Procedure Code (CrPC) against the defendant in relation to the said dishonour of the Cheques For Offence Punishable Under Sec 138 And 141 Of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujarat, Surat with Criminal Complaint No. 9422/2020 for recovery of debt. The matter is currently pending in the court.

f. **Criminal Complaint no. 9424/2020 - Lejas Hemantrai Desai Prop of Sunrise Marketing & services v/s Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe)**

The present complaint duly filed on 20/02/2020, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **10,89,695/-** (Rupees Ten Lakh Eighty Nine Thousand Six Hundred and Ninety Five only) from the complainant as per his business requirement from the Complainant. However, after many follow ups, the accused has sent following cheques of Rs. 2,11,416 to the complainant :

The complainant has deposited it in his bank "Yes Bank", Surat Branch as per instruction of the complainant on 17/12/2019. These cheques returned uncleared on 18/12/2019 with remarks "Funds Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing and Services ("Plaintiff") initiated a legal action through an Advocate and filed a Criminal Complaint Under Criminal Procedure Code (CrPC) against the defendant, in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 And 141 of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Criminal Complaint No. **9424/2020** for recovery of debt. The matter is currently pending in the court.

g. Criminal Complaint no. 9426/2020- Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe)

The present complaint duly filed on 20/02/2020, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **10,89,695/-** (Rupees Ten Lakh Eighty Nine Thousand Six Hundred and Ninety Five only) from the complainant as per his business requirement from the Complainant. However, after many follow ups, the accused has sent following cheques of Rs. 1,42,072 to the complainant.

The complainant has deposited it in his bank "Yes Bank", Surat Branch as per instruction of the complainant on 17/12/2019. These cheques returned uncleared on 18/12/2019 with remarks "Funds Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing ("Plaintiff") and, initiated a legal action through an Advocate and filed a Criminal Complaint Under Criminal Procedure Code (CrPC) against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 And 141 of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat , Surat with Criminal Complaint No. **9426/2020** for recovery of debt. The matter is currently pending in the court.

h. Criminal Complaint no. 9428/2020- Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe)

The present complaint duly filed on 20/02/2020, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **10,89,695/-** (Rupees Ten Lakh Eighty Nine Thousand Six Hundred and Ninety Five only) from the complainant as per his business requirement from the Complainant. However, after many follow ups, the accused has sent following cheques of Rs. 1,80,150 to the complainant :

The complainant has deposited it in his bank "Yes Bank", Surat Branch as per instruction of the complainant on 17/12/2019. These cheques returned uncleared on 18/12/2019 with remarks "Funds Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Shree Maruti Boring Works & Pipe, Suresh P Patel (Prop Shree Maruti Boring Works & Pipe), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing and Services ("Plaintiff"), initiated a legal action through an Advocate and filed a Criminal Complaint Under Criminal Procedure Code (CrPC) against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 and 141 Of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Criminal Complaint No. **9428/2020** for recovery of debt. The matter is currently pending in the court.

i. **Criminal Complaint No. 13627/2012- Mitaliben Lejasbhai Desai v/s Jigisha Enterprise, Rajesh Kumar Jagdishbhai Gandhi, Parsottambhai Ravjibhai Mavani**

The present complaint duly filed on 12/04/2012, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **49,23,317/-** (Forty-Nine Lakh Twenty-Three Thousand Three Hundred Seventeen Only) from the complainant as per his business requirement from the Complainant.

Towards legal outstanding amounts, sum of Rs.19,54,771/- is and was still due to receive from the accused. For outstanding amount, the complainant has demanded from the accused, so the accused has issued Cheque No 000048 drawn on Bank of Baroda, Bhagatalav Branch dtd. 21/02/2012 of Rs.18,00,000/-. On receipt of the said cheque, the complainant deposited said cheque in his bank, but the said cheque returned uncleared with Remark No.22 of the bank "Opening Balance Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Jigisha Enterprise, Rajesh Kumar Jagdishbhai Gandhi, Parsottambhai Ravjibhai Mavani), the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing and Services ("Plaintiff"), through Advocate, initiated a legal action through Advocate and filed A Criminal Complaint under Criminal Procedure Code (CrPC) against the defendant in relation to the said dishonour of the Cheques for Offence Punishable Under Sec 138 And 141 of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Criminal Complaint No. **13627/2012** for recovery of debt. The matter is currently pending in the court.

j. **Criminal Complaint No. 13750/2020- Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s Arihant Electrical , Mukeshbhai K. Jain Prop of Arihant Electrical**

The present complaint duly filed on 13/03/2020, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **49,15,705/-** (Rupees Forty-Nine Lakh Fifteen Thousand Seven Hundred Five Only) from the complainant as per his business requirement from the Complainant.

The accused has issued cheque no.116382 dtd.09/01/2020 drawn on Axis Bank, Silvassa Branch for Rs.40,15,705/- to the complainant and told that "This cheque will be cleared on presentation of its particular date". Thus the complainant has deposited cheque given by the accused in his bank 'Yes Bank', Surat Branch as per instruction of the accused on 10/01/2020. The said cheque returned uncleared on 13/01/2020 with remarks "Funds Insufficient".

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Arihant Electrical , Mukeshbhai K. Jain Prop of Arihant Electrical), , the Director of the Company Mr. Lejas Hemantrai Desai Prop of Sunrise Marketing and Services (Plaintiff) through an Advocate initiated a legal action and filed a Criminal Complaint Under Criminal Procedure Code (CrPc) against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat , Surat with Criminal Complaint No. **13750/2020** for recovery of debt. The matter is currently pending in the court.

k. **Criminal Complaint no- 69628/2021- Lejas Hemantray Desai Prop of Sunrise Marketing & services v/s Varj Jigneshbhai Shah Prop Shree Nath Associate**

The present complaint duly filed on 05/07/2021, for the Accused of the Case who has received Goods viz bills aggregating an amount of ₹ **5,53,573/-** (Rupees Five Lakh Fifty-Three Thousand Five Hundred Seventy-Three Only) from the complainant as per his business requirement from the Complainant.

As per above legal outstanding debt and interest recoverable legally on it i.e principal amount of Rs **553573/- and interest of Rs 294566/- with** total amount of Rs.8,48,139/- was outstanding. The accused has sent following cheques of Rs. 50,000 to the complainant:

The complainant deposited the above cheques issued by the accused for the legal dues on date 07.04.2021 in his bank and the said cheques were returned from the bank on date 08.04.2021 without payment with an endorsement of insufficient funds, and therefore the complainant informed the accused about it and the accused informed the complainant about financial crisis and suggested to deposit the said cheques again in bank on date 11.05.2021. Therefore, the complainant deposited the said cheques on date 12.05.2021 and the said cheques were returned with an endorsement Collection Account Transaction without payment.

Pursuant to the dishonour of the Cheques and on account of failure to pay the dues by the defendant (Shrinath Associates, Varj Jigneshbhai Shah Prop Shree Nath Associate), the Director of the Company Mr. Lejas Hemantra Desai Prop of Sunrise Marketing and Services ("Plaintiff) through an Advocate, initiated a legal action and filed a Criminal Complaint Under Criminal Procedure Code (CrPc) against the defendant in relation to the said dishonour of the Cheques for an Offence Punishable Under Sec 138 And 141 of The Negotiable Act, 1881 before the Additional Chief Judicial Magistrate First Class, Gujrat, Surat with Criminal Complaint No. **69628/2021**. The matter is currently pending in the court.

iii. **Litigation involving actions by Statutory/Regulatory Authorities:** Nil

iv. **Litigation involving Tax Matters:** Nil

v. **Others pending litigations:** Nil

III. **LITIGATION INVOLVING OUR PROMOTERS**

I. **Litigation against our Promoter:**

(i) **Litigation involving Criminal Laws:** NIL

(ii) **Litigation involving Civil Laws:** NIL

(iii) **Litigation involving actions by statutory or regulatory authorities :** Nil

(iv) **Other Pending Litigations:** Nil

II. **Litigation by our Promoter:**

(i) **Litigation involving Criminal Laws:** NIL

(ii) **Litigation involving Civil Laws:** NIL

(iii) **Litigation involving actions by statutory or regulatory authorities :** Nil

(iv) **Other Pending Litigations:** Nil

C. **LITIGATION INVOLVING GROUP COMPANIES**

I. **Litigation against our Group Company:**

(i) **Litigation involving Criminal Laws:** NIL

(ii) **Litigation involving Civil Laws:** NIL

(iii) **Litigation involving actions by statutory or regulatory authorities :** Nil

(iv) **Litigation involving Tax Matters:**

- a. M/S NITI ENTERPRISE (PROP MITALI LEJAS DESAI) ("Assesse") is engaged in providing taxable service of maintenance or repair services, legal consultancy service, works contract service and

holding service tax registration was issued Show Cause Notice no. XII/Div-II/529/2020 Dated 27/09/2020 by the Assistant Commissioner Central GST & Excise, Division-II, Surat against the company.

Based on the data received from Directorate General of System and Data Management, it is noticed that the assessee has declared gross value of services of Rs 1,78,88,778.59/- in ITR/TDS returns during the period from 2014-15, 2015-16 & 2016-17, whereas they have declared gross value of services in their ST-3 as Rs.1,42,70,290/-. Thus, there is a difference of Rs. 36,18,488.59/- between ITR/TDS and ST-3 value, hence the assessee had mis-declared the gross taxable value.

During verification the assessee were asked to produce documents/details, however, assessee failed to produce the documents in respect of the taxable value during the period from 2014-15, 2015-16, 2016-17. Thus, in the absence of the proper records, the service tax liability have been calculated in terms of section 72 of the finance Act, 1994.

Further, it appears that the assessee failed to self assess correct service tax liability, failed to make true and correct assessment, failed to declare the actual taxable value in ST-3 returns to the department and not/short paid the service tax amounting to Rs. 5,06,994/- for the period from 2014-15, 2015-16, 2016-17 on providing the said taxable services. Therefore, assessee called upon to show cause to the said Assistant commissioner and in respect of same, the personal hearing in case of Show Cause Notice NO. XII/Div-II/529/2020 dated 27/09/2020 was fixed on 07/02/2022.

- b. M/S SUNITI HOSPITALITY PRIVATE LIMITED, a Show Cause Notice No. XII/DIV-II/212/2020 dated 27/09/2020 has been issued against the company by the Assistant Commissioner, CGST & CE, Division-II, Surat.

(v) Other Pending Litigations: Nil

II. Litigation by our Group Company:

(i) Litigation involving Criminal Laws: NIL

(ii) Litigation involving Civil Laws: NIL

(iii) Litigation involving actions by statutory or regulatory authorities : Nil

(iv) Litigation involving Tax Matters: Nil

(v) Other Pending Litigations: Nil

D. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

As per the Materiality Policy, the Board deems all creditors above 10% of the total amounts owed to creditors as per the restated financial statements. As of September 30, 2021 our Company owes the following amounts to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Non MSME and other creditors:

Particulars	Number of creditors	Amount involved in Rs. In Lakhs
Outstanding dues to micro, small and medium enterprises	23	113.05
Outstanding dues to Non micro, small and medium enterprises	48	404.23
Outstanding dues to other creditors (salary payable)	39	354.96
Total Outstanding Dues	110	552.77

The details pertaining to net outstanding dues towards our material creditors as on (along with the names and amounts involved for each such material creditor) are available on the website of our

Company at www.sunrisemarketing.net. It is clarified that such details available on our website do not form a part of this Draft Prospectus.

E. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS:

To our knowledge no circumstances have arisen since the date of the latest audited balance sheet i.e. March 31, 2021 which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities within the next 12 months.

F. OTHER MATERIAL INFORMATION

1. Material frauds against our Company

There have been no material frauds committed against our Company in the last preceding five years from the date of this Draft Prospectus.

2. Past cases where penalties imposed

There are no past cases in the five (5) years preceding the date of this Draft Prospectus, where penalties were imposed on our Company by concerned authorities.

3. Past inquiries, inspections and investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, in the last five (5) years immediately preceding the year of issue of the Draft Prospectus in the case of our Company.

4. Details of fines imposed or compounding of offences under the Companies Act in the last five years immediately preceding the year of this Draft prospectus:

There have been no fines imposed on our Company or compounding of offences by our Company under the Companies Act in the last five years immediately preceding the date of this Draft prospectus.

5. Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Prospectus.

6. Outstanding litigation involving any other persons or companies whose outcome could have an adverse effect on our Company:

There is no outstanding litigation against any other persons or companies whose outcome could have an adverse effect on our Company.

7. Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company

There are no disciplinary actions taken by SEBI or stock exchanges against our Company or its Directors.

8. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS AND FRAUDULENT BORROWER:

Neither our Company or the Promoters and nor our Directors are or have been classified as a wilful defaulter or as a Fraudulent Borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details see “Key Industry Regulations and Policies” on page 125 of this Draft Prospectus.

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. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities.

I. APPROVALS FOR THE OFFER

The following approvals have been obtained or will be obtained in connection with the offer:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on February 15, 2022 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013
2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on February 15, 2022, authorized the Offer under Section 62(1)(c) of the Companies Act, 2013;
3. Our Company shall obtain in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

II. CORPORATE APPROVALS

- a. Certificate of Incorporation dated July 9, 2020 issued to our Company by the ROC, in the name of Sunrise Efficient Marketing Limited.
- b. Certificate of Commencement of Business dated 28/07/2020 issued by Registrar of Companies, Ahmedabad.
- c. Corporate Identity Number (CIN): U29100GJ2020PLC114489

III. AGREEMENTS WITH NSDL AND CDSL

- a. The Company has entered into an agreement dated February 18, 2022 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is KFIN Technologies Private Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated February 15, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is KFIN Technologies Private Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is **INE0KPY01017**.

TAX RELATED APPROVALS

Sr.No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Permanent account number (PAN)	Income Tax Department, Government of India	ABDCS9218D	-	Valid until cancel
2	Tax deduction account number	Income Tax Department, Government of India	SRTS24006D	-	Valid until cancel
3	GST Registration Certificate	Approving Authority of Government Of India under Centre Goods and Services Tax Act, 2017.	24ABDCS9218D1Z	22/07/2020	Valid until cancel
4	Certificate of registration under Gujrat State Tax on Professions, Trade, Callings and Employment Act, 1976	Surat municipal corporation	PEC036Z62284	13/01/2021	Valid until cancel

IV. LABOUR / EMPLOYMENT RELATED APPROVALS

- Under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 the Company has been granted code no. SRSRT213066800 for complying with the provisions of the act by the Employees provident fund organisation through the Ministry of Labour and employment, government of India.
- Under the Employees State Insurance Act, 1948(the "ESI Act") the Company has been allotted code no. 39000576750000108 for implementation of the provisions of the ESI Act and registration of employees of factories and establishments granted on 09/07/2020.

V. OTHER BUSINESS APPROVALS

Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required.

Sr.No	Description	Authority	Registration No.	Date of Issue	Date of Expiry
1	Shop and Establishment	Surat Municipal Corporation	RC / SZ / S / BHEDWAD 5474	15/01/2021	Valid until cancel
2	Udyam Registration Certificate under Ministry of micro, small and medium enterprise	Government of India	UDYAM-GJ-22-0003505	19/08/2020	Valid until cancel

VI. CERTIFICATES

Sr. No	Nature of License Approval	Issuing Authority	Date of granting License / Approval / with effect from	Validity
1	ISO 9001:2015	International Certification and Inspection UK Limited (ICI UK Ltd)		This Certificate is property of ICI UK Ltd. and remains valid subject to satisfactory surveillance audits.

VII. INTELLECTUAL PROPERTY APPROVAL

As on the date of the draft prospectus, the Company has the following Trademark pending applications:

Sr. No	Name of IPR	Issuing Authority	Whether registered applied	Registration ID	Date of application	Class
1	Logo (Sunrise Efficient Marketing Limited)	Trade Marks Registry, Government of India	Applied	27170	05/02/2020	35

VIII. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:

There are no such key approvals which have expired and for which renewal applications have been made as on the date of this draft prospectus

IX. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED

There are no such key approvals applied for by our but not received as on the date of this draft prospectus

X. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY

There are no such key approvals required but not obtained or applied for as on the date of this draft Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorised by a resolution of the Board of Directors passed at their meeting held on February 15, 2022 subject to the approval of shareholders of our Company through a special resolution to be passed, pursuant to Section 62(1)(c) of the Companies Act, 2013.

The members of our Company have approved this Issue by a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Extraordinary General Meeting of our Company held on February 15, 2022.

Our Board has approved this Draft Prospectus through its resolution dated March 10, 2022.

We have received In-Principle Approval from BSE Limited vide their letter dated [●] to use the name of BSE Limited in the Prospectus for listing of our Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.

PROHIBITION BY SEBI

Our Company, Promoters, Promoter Group, Directors are not prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.

CONFIRMATIONS

1. Our Company, Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 to the extent applicable to each of them as on the date of the Draft Prospectus.
2. Our directors are not in any manner associated with the securities market and no action has been taken by the SEBI against any of the Directors or any entity with which our directors are associated as promoters or directors in past 5 (five) years.

ELIGIBILITY FOR THE ISSUE

Our company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018; and this Issue is an "Initial Public Issue" in terms of the SEBI (ICDR) Regulations, 2018.

Our company is eligible for the Issue in accordance with Regulation 229(1) and 229 (3) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up capital is more than ten crore rupees and up to twenty-five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE Limited or "BSE SME"). Our Company also complies with eligibility conditions laid by SME Platform of BSE Limited for listing of Equity Shares.

We confirm that:

- a. In accordance with Regulation 246 the SEBI (ICDR) Regulations, 2018, the Lead Manager shall ensure that the Issuer shall file copy of the Draft Prospectus / Prospectus with SEBI along with Due Diligence certificate including additional confirmations as required at the time of filing the Draft Prospectus / Prospectus to SEBI.
- b. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue has been one hundred (100) percent underwritten and that the Lead Manager to the Issue has underwritten at least 15% of the Total Issue Size. For further details pertaining to said underwriting please see "General Information" on page 54 of this Draft Prospectus.

- c. In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within eight (8) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to unblock such application money with interest as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable laws.
- d. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we shall enter into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. For further details of the arrangement of market making please see “General Information” on page 54 of this Draft Prospectus.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

Our Company is also eligible for the Issue in accordance with eligibility norms for Listing on SME Platform of BSE Limited which states as follows:

1. The issuer should be a Company incorporated Under Companies Act, 2013

Our Company is incorporated under the Companies Act, 2013

2. The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.

The post issue paid up capital of the Company will be less than ₹25 crores.

3. Net Tangible Assets of ₹ 150.00 Lakhs

The Company's Net Tangible Assets as on September 30, 2021 is ₹ 430.73 lakhs.

4. Track Record

A) The proprietorship concern which has been taken over by our Company have a (combined) track record of at least 3 years.

Our Company satisfies the criteria of Track Record

Sunrise Efficient Marketing Limited

(₹ in lakhs)

Particulars	As on 30th September 2021	As on 31st March 2021
Net Profit as per Restated Financial Statement	312.36	18.37

Sunrise Marketing And Services (Sole Proprietorship)

(₹ in lakhs)

Particulars	As on 31st March 2021	As on 31st March 2020	As on 31st March 2019
Net Profit as per Restated Financial Statement	74.64	36.63	6.41

- B) The company including its sole proprietorship should have positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net-worth should be positive**

Sunrise Efficient Marketing Limited

(₹ in lakhs)

Particulars	As on 30th September 2021	As on 31st March 2021
Cash Accruals as per restated Financial Statement	455.23	57.84

Sunrise Marketing And Services

(₹ in lakhs)

Particulars	As on 31st March 2021	As on 31st March 2020	As on 31st March 2019
Cash Accruals as per restated Financial Statement	139.66	119.62	88.40

The Net worth of the Company as per the restated financial statement as on March 31, 2021 is ₹ 118.37 lakhs.

- 5. The company shall mandatorily facilitate trading in demat securities and enter into an agreement with both the depositories.**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

The Company's shares bear an ISIN: INEOKPY01017

Company shall mandatorily have a website.

Our Company has a live and operational website www.sunriseefficientmarketing.com

6. Other Listing Condition:

- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- There is no winding up petition against the company that has been admitted by the Court and accepted by a court or a Liquidator has not been appointed.
- There has been no change in the promoter/s of the Company in preceding one year from the date of filing application to BSE Limited for listing on SME segment.

We confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the BSE Limited.

SEBI DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FEDEX SECURITIES PRIVATE LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOUSER REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER OF THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO, TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, AHMEDABAD, IN TERMS OF SECTION 26, 30, 32 AND SECTION 33 OF THE COMPANIES ACT, 2013.

DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, the Directors, and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of the above-mentioned entities and that anyone placing reliance on any other source of information, including our website: www.sunriseefficientmarketing.com, www.fedsec.in would be doing so at his or her own risk.

DISCLAIMER IN RESPECT OF JURISDICTION

This issue is being made in India to persons resident in India including Indian Nationals Resident in India who are not companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian Financial Institutions, Commercial Banks, Regional Rural Banks, Co-Operative Banks (subject to RBI permission), or Trusts under the applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII Sub –Account registered with SEBI which is a Foreign Corporate or Foreign Individual, Permitted Insurance Companies and Pension Funds and to FIIs and Eligible NRIs. This Draft Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform him or herself about and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of Draft Prospectus nor any sale here under shall, under any circumstances, create any implication that there has been any change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

As required, a copy of this Draft Prospectus has been submitted to BSE Limited. The Disclaimer Clause as intimated by the BSE Limited to us, post scrutiny of this Draft Prospectus will be produced by our Company in the Prospectus.

DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT.

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

LISTING

Our company has obtained In-Principle Approval from BSE Limited vide letter dated [●] to use name of BSE Limited in this offer document for listing of equity shares on SME Platform of BSE Limited. In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is requirement of obtaining In-principle approval from SME Platform of BSE Limited. Application will be made to the SME Platform of BSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the issue.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE Limited, the Company shall forthwith unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not unblocked within four days after our Company becomes liable to unblock it then our Company and every officer in default shall, on and from such expiry of four days, be liable to unblock such application money, with interest at the rate of 15% per annum on application money, as prescribed under as prescribed under Section 40 of the Companies Act, 2013. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE Limited mentioned above are taken within Six Working Days from the Issue Closing Date

CONSENTS

The written consents of Directors, Company Secretary, Compliance Officer & Chief Financial Officer, Statutory Auditor and Peer Reviewed Auditor, Legal Advisor to the Issue, Bankers to our Company, Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Banker to Issue and Sponsor Bank to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with

the ROC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. SBMG & Co., Peer Review Auditors, of the Company have agreed to provide their written consent to the inclusion of their report, restated financial statements and statement of Tax Benefits dated February 25, 2022 and March 07, 2022 respectively, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of the Prospectus with ROC.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or vis-à-vis 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 of Companies Act, 2013 .”

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten 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.

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 Fedex Securities Private Limited, as specified in the circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by SEBI, please refer Annexure "A" and the website of Lead Manager at www.fedsec.in

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY FEDEX SECURITIES PRIVATE LIMITED

Sr. No.	Issue Name	Issue Size (Cr)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	Artemis Electricals Limited	42.00	60	May 14, 2019	70.00	63.00% (6.53%)	50.00% (-0.97%)	140.00% (8.11%)
2.	Cian Healthcare Limited	37.92	61	May 23, 2019	62.00	-5.33% (0.99%)	-14.75% (-3.82%)	-74.59% (3.79%)
3.	Sona hi Sona	4.50	10	October 15, 2019	11.15	9.00% (3.61%)	6.00% (7.89%)	45.00% (-21.30%)
4.	DC Infotech and Communications Limited	10.80	45	December 27, 2019	45.50	0.44% (-1.04%)	0.44% (-32.08%)	-1.11% (-14.49%)
5.	Atam Valves Limited	4.50	40	October 06, 2020	40.00	-0.12% (2.63%)	-0.018% (21.74%)	-0.12% (24.33%)
6.	Rangoli Tradecomm Limited	45.14	207	March 22, 2021	211.00	14.49% (-4.15%)	2.55% (5.63%)	377.78% (18.57%)

7.	Rajeshwari Cans Limited	4.03	20	April 15 2021	20.75	-10.00% (-0.15%)	0.07 % (8.13%)	2.50% (23.06%)
8.	Kuberan Global Edu Solutions Limited	1.16	20	May 05, 2021	21.00	-7.50% (7.30%)	-0.10% (8.78%)	-30.00 (24.95%)
9.	Aashka Hospitals Limited	101.64	121	September 01, 2021	121.1	-58.68% (3.12%)	-0.64% (-0.14%)	NA
10.	Euro Panel Products Limited	45.15	70	December 24, 2021	70.00	62.36% (3.61%)	NA	NA
11.	Wherrelz IT Solutions Limited	2.011	171	December 29, 2021	173.05	19.88% (-0.92%)	NA	NA

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.

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, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds Raised (₹. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date	Nos of IPOs trading at premium on 30 th Calendar day from listing date	Nos of IPOs trading at discount on 180 th Calendar day from listing date	Nos of IPOs trading at premium on 180 th Calendar day from listing date
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			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	*4	95.22			1	1		2	1		1	1	1	
2020-21	**2	49.65			1			1			1	1		
2021-22	***5	153.99	1		2	1		1		1				1

**The script of Artemis Electricals Ltd, Cian Healthcare Ltd, Sona Hi Sona Jewellers (Gujarat) Limited and DC Infotech and Communication Limited were listed on Tuesday, May 14, 2019, Thursday, May 23, 2019, Tuesday, October 15, 2019 and Friday, December 27, 2019 respectively*

***The script of Atam Valves Limited and Rangoli Tradecomm Limited were listed on October 06, 2020 and March 22, 2021 respectively.*

**** The script of Rajeshwari Cans Limited, Kuberan Global Edu Solutions Limited and Aashka Hospitals Limited Euro Panel Products Limited and Wherrelz IT Solutions Limited were listed on April 15, 2021, May 05, 2021, September 01, 2021, December 24, 2021 and December 29, 2021 respectively. The script of Aashka Hospitals Limited, Euro Panel Products Limited and Wherrelz IT Solutions Limited have not completed 180 calendar days.*

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect max. 10 issues (initial public offerings managed by the Lead Manager. Hence, disclosures pertaining to recent 10 issues handled by Lead Manager are provided. Track Record of past issues handled by Fedex Securities Private Limited.

Track Record of past issues handled by Fedex Securities Private Limited

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.fedsec.in.

EXPERT OPINION

Except for

(a) Peer Review Auditors' reports dated February 25, 2022, on the Restated Financial Statements by SBMG & Co., Chartered Accountants

(b) Statement of Tax Benefits dated March 07, 2022 by SBMG & Co., Chartered Accountants; we have not obtained any other expert opinions.

PREVIOUS PUBLIC OR RIGHTS ISSUE

Except as stated in the chapter titled "*Capital Structure*" beginning on page 63 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last Five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.

COMMISSION OR BROKERAGE

We have not made any public issue in last five (5) years. Hence, no sums have been paid or payable as Commission or Brokerage.

CAPITAL ISSUE DURING THE PREVIOUS THREE (3) YEARS BY ISSUER, LISTED GROUP COMPANIES AND SUBSIDIARIES OF OUR COMPANY

Except as disclosed in Chapter titled "*Capital Structure*" on page 63 and below, our Company and Group Company has not made any capital issue during the previous three (3) years. Further Our Company do not have any listed group Companies/ Subsidiaries / Associates.

PERFORMANCE VIS-À-VIS objects;

Except as stated in the chapter titled "*Capital Structure*" beginning on page 63 of this Draft Prospectus, we have not made any previous rights and / or public issues during the last five (5) years and are an "Unlisted Issuer" in terms of SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

None of our Group Companies have their equity shares listed on any stock exchange.

STOCK MARKET DATA FOR OUR EQUITY SHARES

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The agreement between the Registrar to the Issue and our Company provides for the retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of Allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, 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 and UPI may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate (in Specified Cities), as the case may be, where the Application Form was submitted by the ASBA Applicants, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application and designated branch or the collection center of the SCSBs or the member of the Syndicate (in Specified Cities) or Sponsor Bank, as the case may be, where the Application Form was submitted by the ASBA Applicants.

Disposal of Investor Grievances by our Company

The Company has appointed Registrar to the Issue, to handle the investor grievances in co-ordination with our 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 the Issue 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 coordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process and UPI 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 (7) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA applicants or UPI Payment Mechanism Applicants. Our Company, the Lead Manager and the Registrar to the Issue accept no responsibility for errors, omissions, commission or any acts of SCSBs / Sponsor Bank including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

The Company shall obtain authentication on the SCORES and shall comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Company has constituted a Stakeholders Relationship Committee of the Board vide resolution passed on February 15, 2022 comprising of Prashantkumar Patil as a Chairman, Anurag Harlaka and Krishna

Lankapati as members. For further details, please refer the chapter titled *“Our Management”* on page no. 141 of Draft Prospectus.

Our Company has also appointed Manish Vaghela as the Company Secretary and Compliance Officer of our company, for this Issue she may be contacted in case of any pre-issue or post-issue related problems at the following address:

SUNRISE EFFICIENT MARKETING LIMITED

Sub Plot No 2, Block B,

Akash Bhumi Complex,

Village Surat, Gujarat,

India, 394221,

Tel No: +91 99250-43408

Fax No: NA

Email: lejas@sunrisemarketing.net

Website: www.sunriseefficientmarketing.com

SECTION VIII – ISSUE INFORMATION

TERMS OF ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, our Memorandum and Articles of Association, SEBI Listing Regulation, the terms of this Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, ROC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of Regulation 256 of the SEBI ICDR Regulations 2018 read with SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the applicants have to compulsorily apply through the ASBA Process and further in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 (together, the “UPI Circular”) in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RILs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RILs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+6 days until March 31, 2020 (“UPI Phase II”). Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 has decided to continue with the Phase II of the UPI ASBA till further notice.

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.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the issue shall be subject to the provisions of the Companies Act 2013 and our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “Main Provisions of the Articles of Association” beginning on page 289 of this Draft Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company.

We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, please refer to section titled "*Dividend Policy*" and "*Main Provisions of Articles of Association*" beginning on page 164 and 289 respectively of this Draft Prospectus.

Face Value and Issue Price

The face value of the Equity Shares is ₹ 10.00/- each and the Issue Price is ₹ 121/- per Equity Share (including premium of ₹ 111/- per Equity 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 82 of this Draft Prospectus.

At any given point of time there shall be only one denomination for the Equity Shares.

Compliance with Disclosure and Accounting Norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer/ issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and other preferential claim being satisfied;
- Right of free transferability subject to applicable law, 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, the terms of the SEBI Listing Regulations, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 289 of this Draft Prospectus.

Allotment only in Dematerialised Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated February 15, 2022 between our Company, NSDL and the Registrar and Share Transfer Agent to the Issue.
- Tripartite agreement dated February 18, 2022 between our Company, CDSL and the Registrar and Share Transfer Agent to the Issue.

The Company's shares bear ISIN: INEOKPY01017

Minimum Application Value; Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares and the same may be modified by SME Platform of BSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,000 Equity Share subject to a minimum allotment of 1,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

In accordance with Regulation 267(2) of the SEBI (ICDR) Regulations 2018 the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

In accordance with Regulation 268 of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Surat, Gujarat, India.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of 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, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and 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.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the sole or first applicant, along with other joint applicant, may nominate any one (1) person in whom, in the event of the death of sole applicant or in case of Joint Applicants, death of all the Applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in

accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Period of Operation of Subscription List of Public Issue

ISSUE OPENS ON	[•]
ISSUE CLOSES ON	[•]
FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE	[•]
INITIATION OF REFUNDS / UNBLOCKING OF FUNDS FROM ASBA ACCOUNT	ON OR BEFORE [•]
CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES	ON OR BEFORE [•]
COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE	ON OR BEFORE [•]

- *In terms of Regulation 265 of ICDR Regulations, the issue shall be open after at least three (3) working days from the date of filing the Prospectus with the Registrar of Companies.*
- *In terms of Regulation 266 (3) of ICDR Regulations, in case of force majeure, banking strike or similar circumstances or for reason considered necessary by our Company, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days*

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 BSE SME are taken within six (6) Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from BSE SME. The Commencement of trading of the Equity Shares will be entirely at the discretion of BSE SME and in accordance with the applicable laws.

Submission of Application Forms:

Issue period (except the Issue Closing Date)	
Submission and Revision of Application Form	Only between 10.00 a.m. to 5.00 p.m. IST
Issue Closing Date	
Submission and Revision of Application Form	Only between 10.00 a.m. to 3.00 p.m. IST

On the Issue Closing Date, the Applications shall be uploaded until:

1. 4.00 p.m. IST in case of application by QIBs and Non – Institutional Investors and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchange, in case of Retail Individual Investors which may be extended up to such time as deemed fit by the Stock Exchange after taking into account the total number of applications received up to the closure of timings and reported by LM to the Stock Exchange.
3. In case of UPI Mandate, the end time and date shall be 12:00 P.M. on [●].

Due to limitation of time available for uploading the application forms on the Issue Closing Date, Applicants are advised to submit their applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Issue Closing Date. Any time mentioned in the Prospectus are Indian Standard Time (IST). Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public issues, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

The above timetable is indicative and does not constitute any obligation or liability on our Company, our Promoter 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 Exchanges are taken within Six (6) Working Days from the Offer Closing Date or such period as may be prescribed, with reasonable support and co-operation of the Promoter, as may be required in respect of its respective portion of the Offered Shares, the timetable may change due to various factors, such as extension of the Offer Period by our Board, as applicable, in consultation with the Lead Manager. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Promoter confirms that it shall extend such reasonable support and co-operation in relation to its respective portion of the Offered Shares for completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within Six Working Days from the Offer Closing Date or such other period as may be prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Lead Manager will submit reports of compliance with T+6 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Four (4) Working Days from the Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Four (4) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft

Prospectus/prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

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.*

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Issue) period disclosed in the prospectus, for a minimum period of three (3) working days, subject to the Issue Period not exceeding ten (10) working days.

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from BSE SME may be taken as the final data for the purpose of Allotment.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten as per Regulation 260(1) of SEBI ICDR Regulation.

If the issuer does not receive the subscription of hundred per cent (100%) of the offer through Prospectus on the date of closure of the issue including devolvment of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so offered under the Prospectus, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond Four (4) days after the issuer becomes liable to pay the amount, the issuer and every director of the issuer who are officers in default, shall pay interest at the rate of fifteen per cent per annum (15% p.a)

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within Four (4) working days of closure of issue.

Arrangements for Disposal of Odd Lots

The trading of the equity shares will happen in the minimum contract size of 1000 Equity shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE Limited.

Withdrawal of the Issue

Our Company in consultation with the Lead Manager, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs or the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one (1) working day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange on which Equity Shares are proposed to be listed. If the Issue is withdrawn after the designated Date, amounts that have been credited to the Public Issue Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final ROC approval of the Prospectus after it is registered with the ROC. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue, our Company shall file a fresh Draft Prospectus.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for lock-in of the Pre-Issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 63 of the Draft Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 289 of the Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are

advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

New Financial Instruments

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Issue. Further, our Company is not issuing any new financial instruments through this Issue.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extant Guidelines of the Government of India, OCBs cannot participate in this Issue.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Equity Shares Only In Dematerialized Form

In terms of Section 29 of the Companies Act 2013, the Equity Shares shall be Allotted only in dematerialized form.

As per the existing SEBI ICDR Regulations, 2018 the trading of the Equity Shares shall only be in dematerialized form for all investors.

In this context, two agreements will be signed by our Company with the respective Depositories and the Registrar to the Issue before filing the Draft Prospectus:

- Tripartite agreement dated February 18, 2022 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated February 15, 2022 among NSDL, our Company and the Registrar to the Issue

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. 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 dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue Face value capital is less than or equal to ₹10 crores, shall issue shares to the public and propose to list the same on the SME Platform of BSE Limited). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 244 and 254 respectively of this Draft Prospectus.

Fresh issue of [●] equity shares of face value of ₹ 10.00/- each for cash at a price of ₹ 121/- per equity share including a share premium of ₹ 111/- per equity share (the “issue price”) aggregating to maximum ₹ 1700 Lakhs. (“the issue”) by our company.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares	[●]*	[●]
Percentage of Issue Size available for allocation	[●]	[●]
Basis of Allotment/Allocation if respective category is oversubscribed	[●]	[●]
Mode of Application	Retail Individual Investor may apply through UPI Payment Mechanism. All other applicants and Retail Individual Investors (whose bank do not provide UPI ID) shall apply through ASBA process only.	Through ASBA mode Only.
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Value exceeds ₹ 2,00,000 For Retail Individuals: Such number of equity shares where application size is of at least 1,000 Equity Shares.	[●] Equity Shares
Maximum Bid	For QIB and NII: Such number of Equity Shares in multiples of 1,000 Equity Shares such that the Application Size does not exceed [●] Equity Shares subject to	[●] Equity Shares

Particulars	Net Issue to Public	Market Maker Reservation Portion
	adhere under the relevant laws and regulations as applicable. For Retail Individuals: Such number of equity Shares so that the Application Value does not exceed ₹ 2,00,000/-	
Mode of Allotment	Compulsorily in dematerialized mode	Compulsorily in dematerialized mode
Trading Lot	1000 Equity Shares	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Terms of payment	In case of ASBA, the entire application amount shall be blocked at the time of submission of Application Form to the SCSBs and in case of UPI as an alternate mechanism, application amount shall be blocked at the confirmation of mandate collection request by the Applicant.	

* 50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is below ₹ 2,00,000 and the balance 50 % of the shares are available for applications whose value is above ₹ 2,00,000.

Note:

- 1. In case of joint application, the Application Form should contain only the name of First Applicant whose name should also appear as the first holder of beneficiary account held in joint names. The signature of only such First Applicant would be Required in the Application Form and such First Applicant would be deemed to have signed on behalf of joint holders.*
- 2. Applicants will be required to confirm and will be deemed to have represented to our Company, the LM, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.*
- 3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.*

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. For further details please refer chapter titled "Issue Procedure" beginning on page 254 of this Draft Prospectus.

ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issue (“GID”), prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 notified by SEBI and updated pursuant to the circular SEBI/HO/CFD/DIL2/CIR/P/2 dated March 30, 2020 (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange, the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with the 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.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular 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 no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) has proposed to introduce 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 mechanisms for RIs applying through Designated Intermediaries have been made effective along with the existing process and existing timeline of T+6 days. The same was applicable until June 30, 2019 (“UPI Phase I”).

With effect from July 1, 2019, with respect to Bids by RIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per Sebi Circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice.

Subsequently, the final reduced timeline will be made effective using the UPI mechanism for applications by RIs (“UPI Phase III”), as may be prescribed by SEBI.

The revisions of the circular dated June 02, 2021 are elaborated as under: -

- SCSB’s shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc. shall be included in SMS for Public Issues opening on/after January 01, 2022.
- The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
- In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB’s etc., the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.
- The Stock Exchanges and Book Running Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
- The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
- Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1 and ensure that the unblocking is completed on T+4.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DP, Designated Bank Branches of SCSBs. The lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by Stock Exchange to act as intermediaries for submitting Application Forms are provided on the website of the Stock Exchange. For details on their designated branches for submitting Application Forms, please refer the above-mentioned Stock Exchange website.

Phased implementation of Unified Payments Interface

SEBI has issued a **UPI Circulars** in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I:

This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six working days.

Phase II:

This phase commenced on completion of Phase I i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six working days during this phase.

Phase III:

Subsequently, the time duration from public issue closure to listing would be reduced to be three working days. All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager

Fixed Price Issue Procedure

The Issue is being made under Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 through a Fixed Price Process. 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. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at 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, except in the QIB Portion, 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 LM and the Stock Exchange are required to submit their Applications to the

Application Collecting Intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non-Institutional Applicants and Retail Individual Applicants, the Company would have a right to reject the Applications only on technical grounds. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected.

Investors should note that Equity Shares will be allotted to successful Applicants in dematerialized form only. The Equity Shares on Allotment shall be traded only in the dematerialize segment of the Stock Exchange, as mandated by SEBI. 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. However, the Investors may get the Equity Shares rematerialized subsequent to the allotment.

Availability of Prospectus and Application Forms

Copies of the Application Form and the Draft Prospectus / Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Issue Opening Date.

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Prospectus / Prospectus. All the Applicants (other than Anchor Investor and Retail Individual Investor using UPI Payment Mechanism) shall mandatorily participate in the Issue only through the ASBA process for application. ASBA applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to bid 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 Bid cum Application Forms) and the Bid cum 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 of Application Form
Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA)	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue*

**Excluding electronic Application Form.*

In case of ASBA Forms, Designated Intermediaries shall upload the relevant Application details in the electronic Bidding system of the Stock Exchanges. Subsequently, for ASBA Forms (other than RILs using UPI mechanism) Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RILs using the UPI mechanism) to the respective SCSBs, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. For RILs using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RILs for blocking of funds.

Application Forms will also be available on the website of the BSE (www.bseindia.com). Same Application Form applies to all ASBA Applicants/ Retail Individual Investors applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

Submission and Acceptance of Application Form

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries").

Sr No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ("broker")
4.	A depository participant ("DP") (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	Registrar to an issue and share transfer agent ("RTA") (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

Designated Intermediaries shall submit Application Forms to SCSBs only

The upload of the details in the electronic bidding system of stock exchange will be done by:

For Applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchanges(s) and may by blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For Applications submitted by investors to intermediaries other	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as

than SCSBs without use of UPI for payment:	per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	<p>After accepting the application form, respective intermediary shall capture and upload the relevant bid details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share bid details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds. Sponsor Bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account</p>

Stock exchange(s) shall validate the electronic bid details with depository's records for DP ID/ClientID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Application are deemed to have authorised our Company to make the necessary changes in the prospectus, without prior or subsequent notice of such changes to the Applicants.

Who can apply?

In addition to the category of Applicants set forth under General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

1. FPIs other than Category III foreign portfolio investor;
2. Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non-Institutional Investors (NIIs) category;
3. Mutual Funds registered with SEBI;
4. VCFs registered with SEBI;
5. FVCIs registered with SEBI;
6. Multilateral and bilateral development financial institutions;
7. State Industrial Development Corporations;
8. Insurance companies registered with Insurance Regulatory and Development Authority;
9. Provident Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
10. Pension Funds with a minimum corpus of ₹ 250 million and who are authorised under their constitution to hold and invest in equity shares;
11. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the GoI, published in the Gazette of India;
12. Insurance funds set up and managed by the army, navy or air force of the Union of India and by the Department of Posts, India;

13. Nominated Investor and Market Maker
14. Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.
15. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except under guardianship)
2. Partnership firms or their nominees
3. Foreign Nationals (except NRI)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S Securities Act or any other applicable law of the United States and, unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations 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.

For Retails Individual Applicants

The Application must be for a minimum of 1,000 Equity Shares and in multiples of 1,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed ₹2,00,000. In case of revision of Applications, the Retail Individual Investors have to ensure that the Application Price does not exceed ₹2,00,000.

For Other than Retail Individual Investors (Non-Institutional Investors and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000 and in multiples of 1,000 Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed

the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant and Non-Institutional Investor cannot withdraw its Application after the Issue Closing Date and is required to pay 100% Bid Amount upon submission of Bid.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

Participation by associates/affiliates of Lead Manager

The Lead Manager shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Category where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis

Option to Subscribe to the Issue

1. Our Company shall allot the specified securities in dematerialised form only. Investors opting for allotment in dematerialised form may get the specified securities rematerialised subsequent to allotment.
2. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
3. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application By HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

Application made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one (1) scheme of the mutual fund will not be treated as multiple Applications, provided, that the Applications clearly indicate the scheme concerned for which the Application has been made.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be attached with the Application Form. Failing this, our Company reserves the right to reject their Application in whole or in part, in either case, without assigning any reason thereof.

No mutual fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single 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 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 Eligible NRIs/FII's on Repatriation Basis

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Eligible NRI Applicants applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicants applying on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. 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).

Pursuant to the provisions of the FEMA regulations, investments by NRIs under the Portfolio Investment Scheme ("PIS") is subject to certain limits, i.e., 10.00% of the paid-up equity share capital of the company. Such limit for NRI investment under the PIS route can be increased by passing a board resolution, followed by a special resolution by the shareholders, subject to prior intimation to the RBI. Our Company has not passed any resolution to increase this limit and hence investments by NRIs under the PIS will be subject to a limit of 10% of the paid-up equity capital of the Company.

Application by FPIs

In terms of the 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) is not permitted to exceed 10% of our post- Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased upto the sectoral cap by way of a resolution

passed by our Board followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, 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.

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 22 of the FPI Regulations, an FPI, by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated Depository Participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

Application by SEBI registered VCFs, AIFs and FVCIs

SEBI VCF Regulations and SEBI FVCI Regulations inter alia prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one (1) venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering.

Category I and II AIFs cannot invest more than 25% of their corpus in one (1) investee company. A category III AIF cannot invest more than 10% of their investible funds in one (1) investee company. A venture capital fund registered as a category I AIF, as defined in SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under SEBI AIF Regulations shall continue to be regulated by SEBI VCF Regulations 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 SEBI AIF Regulations.

Further, according to SEBI ICDR Regulations, the shareholding of VCFs and category I AIFs or FVCI held in a company prior to making an initial public offering would be exempt from lock-in requirements provided that such equity shares held are locked in for a period of at least one (1) year from the date of purchase by such VCF or category I AIFs or FVCI.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company or the LM 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.

Application by provident funds/ pension funds

In case of Applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹2,500 Lakhs, 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, our Company reserves the right to reject their Application, without assigning any reason thereof

Application 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 this, our Company reserves the right to reject their Application without assigning any reason thereof.

Application by Banking Companies

In case of Application made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 reserves the right to reject any Application by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. 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 bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Application by Insurance Companies

In case of Application 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 reserves the right to reject their Application without assigning any reason thereof.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time including the Insurance Regulatory and Development Authority of India Investment) Regulations, 2016 ("IRDA Investment Regulations").

- i. Equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer/investment assets in case of a general insurer or a reinsurer;
- ii. 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
- iii. The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000 million or more but less than Rs. 2,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

Application by SCSBs

SCSBs participating in the Issue are required to comply with the terms of SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Systemically Important Non-Banking Financial Companies

In case of Application made by systemically important non-banking financial companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application, without assigning any reason thereof. Systemically important non-banking financial companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

Application under Power of Attorney

In case of Application made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIs, FPIs, Mutual Funds, Eligible QFIs, 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, provident funds with a minimum corpus of ₹ 2,500 Lakhs and pension funds with a minimum corpus of ₹ 2,500 Lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject their Application in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- With respect to Applications by FIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form.
- With respect to Applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Application Form.
- With respect to Applications made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified

copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form.

- With respect to 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.
- Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application form, subject to such terms and conditions that our Company and the Lead Manager may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories

Application by OCBs

In accordance with RBI regulations, OCBs cannot participate in this Issue.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

Lists of banks that have been notified by SEBI to act as SCSB (Self-Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

ASBA Process and Electronic Registration of Application

Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("ASBA Account") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account. In case of withdrawal/failure

of the Issue, the blocked amount shall be unblocked on receipt of such information from the Lead Manager.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB or Registered Brokers or Registered RTA's or DPs registered with SEBI. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

APPLICATION FORM SHALL BEAR THE STAMP OF THE SYNDICATE MEMBER/SCSBS/REGISTRAR AND SHARE TRANSFER AGENTS/DEPOSITORY PARTICIPANTS/STOCK BROKERS AND IF NOT, THE SAME SHALL BE REJECTED.

Who can apply?

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stock invest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40(3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

Terms of payment

The entire Issue price of ₹ 121.00/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment Mechanism

The Applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the bid Amount (issue price) in the bank account specified in the Application Form. The SCSB shall keep the bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the bid Amount. However, Non-Retail Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid by the ASBA Bidder, as the case may be.

PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)

In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to stream line the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.

Who can apply through UPI Mode:

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

Process

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: www.sebi.gov.in.

Blocking of Funds:

- a) Investors shall create UPI ID
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission

- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds

UNBLOCKING OF FUNDS:

- a) After the issue close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public issue escrow account and unblocking of excess funds
- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

Further, RIs would continue to have an option to modify or withdraw the bid till the closure of the issue period. For each such modification of application, RIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.

REJECTION GROUNDS UNDER UPI PAYMENT MECHANISM

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

LIST OF BANKS PROVIDING UPI FACILITY

An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.

A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:

Home >> Intermediaries/Market Infrastructure Institutions >> Recognised Intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018).

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Designated Intermediary will register the Applications using the on-line facilities of the Stock Exchanges. There will be at least one on-line connectivity facility in each city, where a stock exchange is located in India and where Applications are being accepted. The Lead Manager, our Company and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the

Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary or (iv) Applications accepted and uploaded without blocking funds.

2. The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the Designated Intermediary, (ii) the Applications uploaded by the Designated Intermediary, (iii) the Applications accepted but not uploaded by the Designated Intermediary and (iv) Applications accepted and uploaded without blocking funds. It shall be presumed that for Applications uploaded by the Designated Intermediary, the full Application Amount has been blocked.
3. In case of apparent data entry error either by the Designated Intermediary in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to Stock Exchange.
4. The Designated Intermediary will undertake modification of selected fields in the Application details already uploaded within before 1.00 p.m. of the next Working Day from the Issue Closing Date.
5. The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available with the Designated Intermediary and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Designated Intermediary can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities on a regular basis. On the Issue Closing Date, the Designated Intermediary shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Lead Manager on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
6. At the time of registering each Application submitted by an Applicant, Designated Intermediary shall enter the following details of the investor in the on-line system, as applicable:
 1. Name of the Applicant;
 2. IPO Name;
 3. Application Form number;
 4. Investor Category;
 5. PAN (of First Applicant, if more than one Applicant);
 6. DP ID of the demat account of the Applicant;
 7. Client Identification Number of the demat account of the Applicant;
 8. UPI ID (RIIs applying through UPI Mechanism)
 9. Numbers of Equity Shares Applied for;
 10. Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 11. Bank account number
12. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.

13. The Designated intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
14. Such acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
15. In case of QIB Applicants, the Lead Manager has the right to accept the Application or reject it. However, the rejection should be made at the time of receiving the Application and only after assigning a reason for such rejection in writing. In case on Non-Institutional Applicants and Retail Individual Applicants, Applications would be rejected on the technical grounds.
16. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
17. Only Applications that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The Designated Intermediary will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the PAN, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar will receive this data from the Stock Exchanges and will validate the electronic Application details with depository's records. In case no corresponding record is available with depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such Applications are liable to be rejected.

WITHDRAWAL OF APPLICATIONS

RIs can withdraw their applications until Issue Closing Date. In case a RI wishes to withdraw the applications during the Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB or Sponsor Bank in the ASBA Account.

The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIs can neither withdraw nor lower the size of their Bids at any stage.

SIGNING OF UNDERWRITING AGREEMENT

The issue is 100% Underwritten. For further details please refer to Section titled "*General Information*" on page 54 of this Draft Prospectus.

FILING OF THE PROSPECTUS

For filing details, please refer Chapter titled "*General Information*" beginning on page 54 of this Draft Prospectus.

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely

circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where registered office of the Company is situated.

PRICE DISCOVERY AND ALLOCATION OF EQUITY SHARES

- a) The Issue is being made through the Fixed Price Process where in up to Equity Shares shall be reserved for Market Maker. Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid Application being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
- b) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the Stock Exchange.
- c) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- d) In terms of SEBI Regulations, Non-Retail Investors shall not be allowed to either withdraw or lower the size of their applications at any stage.
- e) Allotment status details shall be available on the website of the Registrar to the Issue.

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. 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.

- 1. The dispatch of allotment advice shall be deemed a valid, binding and irrevocable contract.
- 2. **Issuer will ensure that:** (i) the allotment of the equity shares; and (ii) initiate corporate action for credit of shares to the successful applicant's Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.
- 3. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

ISSUANCE OF CONFIRMATION ALLOCATION NOTE ("CAN")

- a) A physical book is prepared by the Registrar on the basis of the Application Forms received from Investors. Based on the physical book and at the discretion of the Company in consultation with the LM, selected Investors will be sent a CAN and if required, a revised CAN.
- b) In the event that the Issue Price is higher than the Investor Allocation Price: Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated

to such Investor and the pay-in date for payment of the balance amount. Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Investors.

- c) In the event the Issue Price is lower than the Investor Allocation Price: Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

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.

GENERAL INSTRUCTIONS

Applicants are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Read all the instructions carefully and complete the Application Form;
3. Ensure that the details about the PAN, UPI ID (if applicable), DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
4. Ensure that your Application Form, bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Collection Centre within the prescribed time, except in case of electronic forms. Retail Individual Investors using UPI mechanism, may submit their ASBA forms with Designated Intermediary and ensure that it contains the stamp of such Designated Intermediary;
5. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
6. If the first applicant is not the ASBA account holder (or the UPI- linked bank account holder as the case may be), ensure that the Application Form is signed by the ASBA account holder (or the UPI-linked bank account holder as the case may be). Ensure that you have mentioned the correct bank account number and UPI ID in the Application Form;
7. All Applicants (other than Anchor Investors and RII using UPI Mechanism) should apply through the ASBA process only. RII not using UPI mechanism, should submit their application form directly with SCSB's and not with any designated intermediary.
8. With respect to Applications by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Application;
9. Ensure that you request for and receive a stamped acknowledgement of your Application;
10. 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;

11. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process. Retail Individual Investors using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment, in a timely manner
12. Submit revised Applications to the same Designated Intermediary, as applicable, through whom the original Application was placed and obtain a revised TRS;
13. Except for Applications (i) on behalf of the central or state governments and the officials appointed by the courts, who, in terms of SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market and (ii) Applications by persons resident in the state of Sikkim, who, in terms of 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 Applicants 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.
14. Ensure that the Demographic Details are updated, true and correct in all respects;
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 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 application, 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;
17. Ensure that the category and sub-category under which the Application is being submitted is clearly specified in the Application Form;
18. Ensure that in case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. If you are resident outside India, ensure that Applications by you are in compliance with applicable foreign and Indian laws;
20. Since the allotment will be in dematerialised form only, Applicants should note that in case the DP ID, the Client ID, UPI ID (where applicable) and the PAN mentioned in the Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, match with the DP ID, Client ID (where applicable) and PAN available in the Depository database otherwise liable to be rejected; Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
21. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
22. Ensure that you have correctly signed the authorization /undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds

in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;

23. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Investors Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Further, Retail Individual Investors using the UPI Mechanism must also mention their UPI ID and shall use only his/her own bank account which is linked to his/her UPI ID;
24. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
25. Retail Individual Investors Bidding using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. Retail Individual Investors shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not pay the Application Amount in cash, cheque, by money order or by postal order or by stock invest or any mode other than stated herein;
4. Do not send Application / ASBA Forms by post, instead submit the same to the Designated Intermediary only;
5. Do not submit the Application Forms with the Banker(s) to the Issue (assuming that such bank is not a SCSB), our Company, the LM or the Registrar to the Issue (assuming that the Registrar to the Issue is not one of the RTAs) or any non-SCSB bank;
6. Do not apply on an Application Form that does not have the stamp of the Designated Intermediary;
7. If you are a Retail Individual Applicant, do not apply for an exceeding ₹ 200,000;
8. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Prospectus;
9. Do not submit the General Index Register number instead of the PAN;
10. As an ASBA Applicant, do not submit the Application without ensuring that funds equivalent to the entire Application Amount are available to be blocked in the relevant ASBA Account and as in the case of Retail Individual Investors using the UPI Mechanism shall ensure that funds equivalent to the entire application amount are available in the UPI linked bank account where funds for making the bids are available.
11. As an ASBA Applicant, do not instruct your respective banks to release the funds blocked in the ASBA Account;

12. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
13. 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;
14. If you are a QIB, do not submit your Application after 3.00 pm on the Issue Closing Date for QIBs;
15. If you are a Non-Institutional Applicant or Retail Individual Applicant, do not submit your Application after 3.00 pm on the Issue Closing Date;
16. 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;
17. Do not submit an Application 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 Depositories);
18. If you are a QIB or a Non-Institutional Applicant, do not withdraw your Application or lower the size of your Application (in terms of quantity of the Equity Shares or the Application Amount) at any stage;
19. Do not submit more than five (5) ASBA Forms per ASBA Account;
20. Do not submit ASBA Forms at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres; and
21. Do not submit ASBA Forms to a Designated Intermediary at a Collection Centre unless the SCSB where the ASBA Account is maintained, as specified in the ASBA Form, has named at least one (1) branch in the relevant Collection Centre, 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>). The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.
22. Do not submit a Bid cum Application Form with third party UPI ID or using a third-party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism)

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Instructions for completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application forms submitted to the SCSBs should bear the stamp of respective intermediaries to whom the application form submitted. Application form submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application forms submitted by Applicants whose beneficiary account is inactive shall be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit application forms in public issues using the stock broker ("broker") network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of Stock Exchange.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Payment by Stock Invest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

OTHER INSTRUCTIONS

JOINT APPLICATIONS IN THE CASE OF INDIVIDUALS

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

MULTIPLE APPLICATIONS

An Applicant should submit only one Application (and not more than one). Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband 's name to determine if they are multiple applications.
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made. In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client norms by the depositories. The Company reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple Applications and are liable to be rejected. The Company, in consultation with the Book Running Lead Manager reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple Applications is given below:

- All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
- For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

PERMANENT ACCOUNT NUMBER ("PAN")

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Applications without the PAN will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

Our Company/ Registrar to the Issue, Lead Manager can, however, accept the Application(s) which PAN is wrongly entered into by ASBA SCSB's in the ASBA system, without any fault on the part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds. It should be noted that RILs using third party bank account for the payment in the public issue using UPI facility or using third party UPI ID linked bank account are liable to be rejected.

GROUND FOR TECHNICAL REJECTIONS

Applicants are requested to note that Application may be rejected on the following additional technical grounds.

- a. Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- b. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- c. Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- d. PAN not mentioned in the Application Form;
- e. GIR number furnished instead of PAN;
- f. Applications for lower number of Equity Shares than specified for that category of investors;
- g. Applications at a price other than the Fixed Price of the Issue;
- h. Applications for number of Equity Shares which are not in multiples as stated in the chapter titled "Issue Structure";
- i. Category not ticked;
- j. Multiple Applications as defined in the Prospectus;
- k. In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- l. Applications accompanied by Stock invest/ money order/ postal order/ cash;
- m. Signature of the First Applicant or sole Applicant is missing;
- n. Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- o. In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- p. Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- q. Applications by OCBs;
- r. Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- s. Applications not duly signed;
- t. Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- u. Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- v. Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- w. Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- x. Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 3.00 pm on the Issue Closing Date;
- y. Applications not containing the details of Bank Account and/or Depositories Account.
- z. Applications under the UPI Mechanism submitted by Retail Individual Investors 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);
- aa. Application submitted by Retail Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI;
- bb. Applications submitted on a plain paper.
- cc. 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;

EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL AND CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent.

- a) a tripartite agreement dated February 15, 2022 with NSDL, our Company and Registrar to the Issue;
- b) a tripartite agreement dated February 18, 2022 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN No: INE0KPY01017

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis-à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares of our Company would be only in dematerialized form.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Company Secretary and Compliance Officer (Mr. Manish Waghela) or the Registrar to the Issue in case of any Pre-Issue or Post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

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Disposal of Applications

With respect to Investors, our Company shall ensure dispatch of Allotment Advice, refund orders (except for applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account of Depository Participants of the Applicants and submit the documents pertaining to the Allocation to the Stock Exchange(s) on the Investor Bidding Date. In case of Applicants who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 6 Working Days from the Bid/Offer Closing Date.

IMPERSONATION

Attention of the Applicant is specifically drawn to the provisions of Sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or shall be liable for action under Section 447”.

Section 447 of Companies Act, 2013 deals with ‘Fraud’ and prescribed a punishment of “imprisonment for a term which shall not be less than 6 (six) months but which may extend to 10 (ten) years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to 3 (three) times the amount involved in the fraud”.

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 1,000 equity shares the allotment will be made as follows:
 - a. Each successful applicant shall be allotted 1,000 equity shares; and
 - b. The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 1,000 equity shares subject to a minimum allotment of 1,000 equity shares.
5. If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 1,000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in the Draft Prospectus.
6. Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
 - a. A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b. The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c. The unsubscribed portion of the net to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

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

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled 'Basis of Allotment' of Draft Prospectus.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the Stock Exchange.

BASIS OF ALLOTMENT IN THE EVENT OF UNDER SUBSCRIPTION

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non-Residents, NRIs, FPIs and foreign venture capital funds and all Non-Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

AT PAR FACILITY

Letters of Allotment or refund orders or instructions to Self-Certified Syndicate Banks in Application Supported by Blocked Amount process. The issuer shall ensure that "at par" facility is provided for encashment of refund orders for applications other than Application Supported by Blocked Amount process.

GROUND FOR REFUND

Non-Receipt of Listing Permission

An Issuer makes an Application to the Stock Exchange for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchange from where such permission is sought are disclosed in Draft Prospectus. The designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permission to deal in and official quotation of the Equity Shares are not granted by Stock Exchange, the Issuer may forthwith repay, without interest, all money received from the Applicants in pursuance of the Prospectus.

In the event that the listing of the Equity Shares does not occur in the manner described in this Draft Prospectus, the Lead Manager and Registrar to the Issue shall intimate Public Issue bank / Bankers to the Issue and Public Issue Bank/Bankers to the Issue shall transfer the funds from Public Issue account to Refund Account as per the written instruction from lead Manager and the Registrar for further payment to the beneficiary Applicants.

If such money is not repaid within Four days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Draft Prospectus.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the "Stated Minimum Amount" has not been subscribed and the sum payable on application money has to be returned within such period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013)

Minimum Number of Allottees

The Issuer may ensure that the number of Allottees to whom Equity Shares may be allotted may not be less than fifty (50), failing which the entire application monies may be refunded forthwith.

MODE OF REFUNDS

- a) **In case of ASBA Bids:** Within Four (4) Working Days of the Bid / Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid, for any excess amount blocked on Application, for any ASBA Bids withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer
- b) In the case of Applicant from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) **In case of Investors:** Within Four (4) Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in their Investor Application Forms for refunds. Accordingly, Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Offer, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay

MODE OF MAKING REFUNDS FOR APPLICANTS OTHER THAN ASBA APPLICANTS

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) **NECS** - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) **NEFT** - Payment of refund may be undertaken through NEFT wherever the branch of the Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be

linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

- (iii) **Direct Credit** - Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) **RTGS** - Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Bid cum Application Form, the Registrar to the Offer will obtain from the Depository the demographic details including address, Applicant's account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the BRLM or the Registrar to the Offer or the Escrow Collection Banks nor the Company shall have any responsibility and undertake any liability for the same; and
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription of 100% of the Offer, shall be credited only to the bank account from which the Applicant Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Applicants may refer to Draft Prospectus.

INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The issuer shall allot securities offered to the public shall be made within the period prescribed by the Board. The issuer shall also pay interest at the rate of fifteen per cent. per annum (15% p.a.) if the allotment letters or refund orders have not been despatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner within eight days from the date of the closure of the issue. However, applications received after the closure of issue in fulfilment of underwriting obligations to meet the minimum subscription requirement, shall not be entitled for the said interest.

COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchange are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit of Equity Shares to the beneficiary account with DPs, and dispatch the allotment Advise within 4 Working Days of the Issue Closing Date.

UNDERTAKING BY OUR COMPANY

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (Six) working days of closure of the Issue;
3. that funds required for making refunds / unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
4. that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. that no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.
6. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of Allotment; and
7. That if our Company does not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice which will be issued by our Company within two (2) days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. Stock Exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. That if our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Draft Prospectus with Stock Exchange/ RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;

Utilization of Issue Proceeds

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act; 2013
- 2) Details of all monies utilized out of the Issue shall be disclosed and continue to be disclosed till any part of the issue proceeds remains unutilized under an appropriate separate head in the Company's balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested.

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. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 ("FDI Policy"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment 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 FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Issue shall be on the basis of the FEMA Rules. 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, 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 foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the wholesale trading sector, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue. For further details, see "Issue Procedure" Each Investor 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 Investor shall intimate our Company and the Registrar in writing about such approval alongwith a copy thereof within the Issue/ Period.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any other applicable law of 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, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Prospectus as “U.S. QIBs”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (ii) 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. For the avoidance of doubt, the term “U.S. QIBs” does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Draft Prospectus as “QIBs”.

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 Issue may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Investors. Our Company, and the LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares Issue for do not exceed the applicable limits under laws or regulations.

SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF SUNRISE EFFICIENT AND MARKETING LIMITED

**TABLE F AS NOTIFIED UNDER SCHEDULE I OF THE COMPANIES ACT, 2013 IS APPLICABLE TO THE
COMPANY ARTICLES OF ASSOCIATION OF LE MERITE EXPORTS LIMITED A COMPANY LIMITED BY
SHARES**

I. (1) In these regulations --

(a) the Act means the Companies Act, 2013,

(b) the seal means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

(3) public company means a company which

(a) is not a private company and;

(b) has a minimum paid-up share capital as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.scribe for any securities of the company;

Share capital and variation of rights

II. 1. Subject to the provisions of the Act and these Articles, the shares in the capital of the

company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,—

(a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be 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 subsection (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.

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.

Calls on shares

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten percent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

18. The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

Transfer of shares

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

20. The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or

(b) any transfer of shares on which the company has a lien.

21. The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under subsection (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

22. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a 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.

Forfeiture of shares

27. If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

28. The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

33. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of capital

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

35. Subject to the provisions of section 61, the company may, by ordinary resolution, —

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

36. Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

Capitalisation of profits

38. (i) The company in general meeting may, upon the recommendation of the Board resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in subclause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

Buy-back of shares

40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

General meetings

41. All general meetings other than annual general meeting shall be called extraordinary general meeting.

42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings

43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

Voting rights

48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

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.

Board of Directors

58. The Company shall have minimum three directors and maximum 15 directors and following shall be the First Directors of the Company:

1) LEJAS HEMANTRAI DESAI

2) MITALIBEN LEJAS DESAI

3) HEMANTRAI THAKORBHAI DESAI

59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

60. The Board may pay all expenses incurred in getting up and registering the company.

61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

62. All cheques, promissory notes, drafts, *hundis*, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

70. (i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

71. (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

74. Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any

chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

75. A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

The Seal

76. (i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

Dividends and Reserve

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(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.

Accounts

86. (i) The Board shall from time to time determine whether and to what extent and at what

times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

Winding up

87. Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following documents and contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be filed with the Registrar of Companies for registration. Copies of the contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at Sub Plot No. 2, Block B, Akash Bhumi Complex, Village Surat, Gujarat, India, 394221, between 10.00 a.m. and 5.00 p.m. (IST) on all Working Days from the date of this Draft Prospectus until the Issue Closing Date.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable law.

A) Material contracts for the Issue

1. Issue Agreement dated March 01, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated March 02, 2022 between our Company and Registrar to the Issue.
3. Underwriting Agreement dated [●] amongst our Company, the Underwriter and the Lead Manager.
4. Market Making Agreement dated [●] amongst our Company, Market Maker and the Lead Manager.
5. Bankers to the Issue Agreement dated March 08, 2022 amongst our Company, the Lead Manager, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement dated February 18, 2022 amongst our Company, Central Depository Services (India) Limited and Registrar to the Issue
7. Tripartite agreement dated February 15, 2022 amongst our Company, National Securities Depository Limited and Registrar to the Issue.

B) Material documents for the Issue

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated February 15, 2022 in relation to the Issue and other related matters.
3. Shareholders' resolution dated February 15, 2022 in relation to the Issue and other related matters.
4. Consents of our Promoter, Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory and Peer Reviewed Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Underwriter to the Issue, Bankers to our Company, Market Maker and Banker to the Issue to include their names in this Draft Prospectus and to act in their respective capacities.
5. Peer Review Auditors Report dated February 25, 2022 on Restated Financial Statements of our Company for the period ended September 2021 and financial year ended March 31, 2021.

6. The Report dated March 07, 2022 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Prospectus.
7. Copy of approval from BSE Limited vide letter dated [●] to use the name of BSE Limited in this Draft Prospectus/Prospectus for listing of Equity Shares on SME Platform of BSE Limited.
8. Due diligence certificate shall be submitted to SEBI by Lead Manager to the Issue.
9. Copies of the annual report of our Company for the financial year ended as on March 31, 2021.
10. Board Resolution dated March 10, 2022 for approval of Draft Prospectus.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the 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 is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Draft Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

NAME OF DIRECTOR AND DIN	DESIGNATION	SIGNATURE
HEMANTRAI DESAI DIN: 08787617	Chairman and Whole Time Director	Sd/-
LEJAS DESAI DIN: 02488965	Managing Director	Sd/-
MITALIBEN DESAI DIN: 02594823	Jt. Managing Director	Sd/-
HIREN SHAH DIN: 09506244	Whole - Time Director	Sd/-
PINKAL PANCHOLI DIN: 09506971	Whole - Time Director	Sd/-
ANURAG HARLALKA DIN: 08733503	Independent Director	Sd/-
KRISHNA LANKAPATI DIN: 09505959	Independent Director	Sd/-
PRASHANTKUMAR PATIL DIN: 09506276	Independent Director	Sd/-

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

BHRANTI DESAI	SD/-
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Date:

Place: Surat, Gujarat