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(Please scan this QR Code to view the Draft Prospectus)



**DAVIN SONS RETAIL LIMITED**  
(CIN- U14101DL2022PLC393510)

Our Company was incorporated as 'Davin Sons Retail Limited' under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated 8<sup>th</sup> February, 2022, issued by the ROC, Central Registration Centre, Ministry of Corporate Affairs. Later, on 2<sup>nd</sup> March, 2023, the running business of the proprietorship concern of our Promoter namely "JESUS SHIRTS" was taken-over by the Company, along with the Assets and Liabilities of the proprietorship concern as going concern. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 132 of this Draft Prospectus.

**Registered Office:** 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi - 110034

**Contact Person:** Ms. Kavita Wadhwa, Company Secretary & Compliance Officer

**Tel No:** + 91-11-49092127; **E-mail:** [info@davinsonsretail.com](mailto:info@davinsonsretail.com); **Website:** [www.davinsonsretail.com](http://www.davinsonsretail.com)

**PROMOTERS OF OUR COMPANY:** MR. MOHIT ARORA, MR. NOHIT ARORA, MR. DAVINDER ARORA, MRS. LALITA RANI AND MRS. SONAM ARORA

**THE ISSUE**

INITIAL PUBLIC OFFER OF UPTO 15,99,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF DAVIN SONS RETAIL LIMITED ("COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] LAKHS (THE "ISSUE") OF WHICH UPTO 81,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO 30.37% AND 28.83% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Potential Investors may note the following:

1. "Cover page" of the Draft Offer Document has been updated;
2. The Chapter titled "Definition and Abbreviations" beginning on page 1 of the Draft Offer Document has been updated;
3. The Chapter titled "Summary of Draft Offer Document" beginning on page 20 of the Draft Offer Document has been updated;
4. The Chapter titled "Risk Factors" beginning on page 28 of the Draft Offer Document has been updated;
5. The Chapter titled "The Issue" beginning on page 46 of the Draft Offer Document has been updated;
6. The Chapter titled "Summary of Financial Information" beginning on page 47 of the Draft Offer Document has been updated;
7. The Chapter titled "General Information" beginning on page 50 of the Draft Offer Document has been updated;
8. The Chapter titled "Capital Structure" beginning on page 61 of the Draft Offer Document has been updated;
9. The Chapter titled "Objects of the Issue" beginning on page 74 of the Draft Offer Document has been updated;
10. The Chapter titled "Basis for Issue price" beginning on page 83 of the Draft Offer Document has been updated;
11. The Chapter titled "Our Business" beginning on page 107 of the Draft Offer Document has been updated;
12. The Chapter titled "History and Certain Corporate Matters" beginning on page 132 of the Draft Offer Document has been updated;
13. The Chapter titled "Our Management" beginning on page 136 of the Draft Offer Document has been updated;
14. The Chapter titled "Our Promoter & Promoter Group" beginning on page 150 of the Draft Offer Document has been updated;
15. The Chapter titled "Restated Financial Statement" beginning on page 158 of the Draft Offer Document has been updated;
16. The Chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page 161 of the Draft Offer Document has been updated;
17. The Chapter titled "Outstanding Litigation and Material Developments" beginning on page 171 of the Draft Offer Document has been updated;
18. The Chapter titled "Government & Other Statutory Approvals" beginning on page 176 of the Draft Offer Document has been updated;
19. The Chapter titled "Other Regulatory and Statutory Disclosures" beginning on page 179 of the Draft Offer Document has been updated;
20. The Chapter titled "Issue Structure" beginning on page 195 of the Draft Offer Document has been updated;
21. The Chapter titled "Material Contracts and Documents for Inspection" beginning on page 267 of the Draft Offer Document has been updated;

On behalf of Davin Sons Retail Limited  
Sd/-



Kavita Wadhwa

Company Secretary and Compliance officer

Place: Delhi

Date: 03.04.2024

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchanges. All capitalized terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

LEAD MANAGER TO THE ISSUE*	REGISTRAR TO THE ISSUE
 <p><b>NAVIGANT CORPORATE ADVISORS LIMITED</b> 804, Meadows, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 Tel No. +91-22-41204837 Email Id-<a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a> Investor Grievance Email:<a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> Website: <a href="http://www.navigantcorp.com">www.navigantcorp.com</a> SEBI Registration Number: INM000012243 Contact Person: Mr. Sarthak Vijlani</p>	 <p><b>KFIN TECHNOLOGIES LIMITED</b> Selenium Tower-B, Plot 31 &amp; 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: <a href="mailto:dsrl ipo@kfintech.com">dsrl ipo@kfintech.com</a> Website: <a href="http://www.kfintech.com">www.kfintech.com</a> SEBI Registration No: INR000000221 Contact Person: M Murali Krishna</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

\*The Draft prospectus dated 27<sup>th</sup> December, 2023 was filed by Navigant Corporate Advisors Limited and First Overseas Capital Limited, Subsequently, First Overseas Capital has withdrawn its participation from the issue as Lead Manager.

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## COVER PAGE

The Promoter(s) of our Company are Mr. Mohit Arora, Mr. Nohit Arora, Mr. Davinder Arora, Mrs. Lalita Rani and Mrs. Sonam Arora

## DEFINITIONS AND ABBREVIATIONS

### Updation of following definitions:

#### COMPANY RELATED TERMS

Term	Description
Promoter(s)	The Promoter(s) of our Company are Mr. Mohit Arora, Mr. Nohit Arora, Mr. Davinder Arora, Mrs. Lalita Rani and Mrs. Sonam Arora.

#### ISSUE RELATED TERMS

Term	Description
LMS / Lead Manager	Lead Manager to the Issue, in this case being Navigant Corporate Advisors Limited

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**SUMMARY OF DRAFT OFFER DOCUMENT**
**SUMMARY OF OUR BUSINESS**

*Updation of following third para as follows:*

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments through job work basis. Later, on 01st August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non-Alcoholic Energy Drinks, Chips etc.

*Updation of following fifth para as follows:*

Our Company has two business verticals:

1. Manufacturing of readymade Garments through job work basis;
2. Distribution of FMCG products.

*Updation of following:*

**OUR PROMOTERS**

The promoters of our Company are Mr. Mohit Arora, Mr. Nohit Arora, Mr. Davinder Arora, Mrs. Lalita Rani and Mrs. Sonam Arora.

**PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS, PROMOTER GROUP AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY**

Set forth is the Pre-Issue shareholding of our Promoters, Promoter Group as a percentage of the paid-up share capital of the Company:

Particular	Pre-Issue	
	Number of Shares	Percentage (%) holding
<b>Promoters</b>		
Mr. Mohit Arora	19,26,126	52.53%
Mr. Nohit Arora	5,84,130	15.93%
Mr. Davinder Arora	4,05,432	11.06%
Mrs. Lalita Rani	3,90,120	10.64%
Mrs. Sonam Arora	19,170	0.52%
<b>Promoter Group</b>		
-	-	-
<b>Total</b>	<b>33,24,978</b>	<b>90.68%</b>

**WEIGHTED AVERAGE PRICE OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS**

The weighted average price at which Equity Shares were acquired by the Promoters in the one year preceding the date of this Draft Prospectus is as follows:

S. No.	Name of the Promoter	No of Equity Shares held	Average cost of Acquisition (in Rs.)
1.	Mr. Mohit Arora	18,96,126	5.26

**Davin Sons Retail Limited**

2.	Mr. Nohit Arora	5,69,130	9.20
3.	Mr. Davinder Arora	4,01,432	13.84
4.	Mrs. Lalita Rani	3,89,720	16.38
5.	Mrs. Sonam Arora	18,770	10.63

**AVERAGE COST OF ACQUISITION OF PROMOTERS**

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

S. No.	Name of the Promoter	No of Equity Shares held	Average cost of Acquisition (in Rs.)
1.	Mr. Mohit Arora	19,26,126	5.33
2.	Mr. Nohit Arora	5,84,130	9.22
3.	Mr. Davinder Arora	4,05,432	13.81
4.	Mrs. Lalita Rani	3,90,120	16.37
5.	Mrs. Sonam Arora	19,170	10.62

## RISK FACTORS

### Updation of Risk Factor 17 has been updated as follows:

**Our cost of production is exposed to fluctuations in the prices of Raw materials.**

Our Company is dependent on third party suppliers for procuring the raw material for manufacturing of readymade garments through job work basis. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production/ trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain highquality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

### Updation of Risk Factor 35 has been updated as follows:

**The average cost of acquisition of Equity Shares by our Promoters may be less than the Issue Price.**

“The average cost of acquisition of Equity Shares by our Promoters may be less than the Issue Price. The details of average cost of acquisition of Equity Shares acquired by our Promoters is set out below:”

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Mohit Arora	19,26,126	5.33
Mr. Nohit Arora	5,84,130	9.22
Mr. Davinder Arora	4,05,432	13.81
Mrs. Lalita Rani	3,90,120	16.37
Mrs. Sonam Arora	19,170	10.62

*\*The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares, if any, to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled “Capital Structure” on page 61.*

### Updation of heading of Risk Factor no 38 as follows:

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

### Shifting of Risk Factor no 39 in top 5 Risk Factors.

### Updation of Risk Factor no 40 as follows:

**Unsecured loans taken by our Company from financial institution, can be recalled by the lenders at any time.**

Our Company has raised an unsecured loan amounting to Rs. 25.00 lakhs post 30th November, 2023 for the purpose of payment to suppliers and other business purposes, any unexpected demand for payment from lender

**Davin Sons Retail Limited**

may accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. For further details of unsecured loans of our Company, please refer the chapter titled Statement of Financial Indebtedness on page 160 of this Draft Prospectus.

**Updation of heading of Risk Factor no 42 as follows:**

**There are certain non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

**Updation of Risk Factor no 50 as follows:**

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

The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled "Objects of the Issue". The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 74 of this Draft Prospectus is based on the estimates of our management and third party quotation and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

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**THE ISSUE**
**Updation of following:**

<b>Equity Shares Issued <sup>(1)</sup>:</b> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Upto 15,99,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 50.00 per Equity Share aggregating Rs. 799.50 Lakhs
<b><i>Of which:</i></b>	
<b>Issue Reserved for the Market Maker</b>	Upto 81,000 Equity Shares of face value of Rs.10/- each fully-paid up for cash at a price of Rs. 50.00 per Equity Share aggregating Rs. 40.50 Lakhs
<b>Net Issue to Public</b>	Upto 15,18,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. 50.00 per Equity Share aggregating Rs. 759.00 Lakhs
	<b><i>Of which <sup>(3)</sup>:</i></b>
	7,59,000 Equity Shares of having face value of Rs.10/- each fully paid-up for cash at a price of Rs. 50.00 per Equity Share will be available for allocation for retail individual Investors of up to Rs. 2.00 Lakhs
	7,59,000 Equity Shares of having face value of Rs.10/- each fully paid-up for cash at a price of Rs. 50.00 per Equity Share will be available for allocation for Non retail individual Investors of above Rs. 2.00 Lakhs
<b>Equity shares outstanding prior to the Issue</b>	36,66,792 Equity Shares of face value of Rs.10/- each fully paid-up
<b>Equity shares outstanding after the Issue</b>	Upto 52,65,792 Equity Shares of face value of Rs.10/- each fully paid-up
<b>Use of Net Proceeds</b>	Please refer to the chapter titled " <i>Objects of the Issue</i> " beginning on page 74 of this Draft Prospectus.



**SUMMARY OF FINANCIAL INFORMATION**
**RESTATED FINANCIAL STATEMENTS OF M/S. JESUS SHIRTS (PROPRIETORSHIP)**
**ANNEXURE-I  
STATEMENT OF ASSETS AND LIABILITIES, AS  
RESTATED PROP. JESUS SHIRT**

(Rs. in Lacs)

Particulars	Annexure No.	Proprietorship			
		For the year ended on			
		28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>Equity &amp; Liabilities</b>					
Proprietor's Capital	A	47.75	36.59	26.24	29.41
<b>Total (A)</b>		<b>47.75</b>	<b>36.59</b>	<b>26.24</b>	<b>29.41</b>
<b>Non-Current Liabilities</b>					
Long Term Borrowings	B	48.96	106.54	93.88	69.10
<b>Total (B)</b>		<b>48.96</b>	<b>106.54</b>	<b>93.88</b>	<b>69.10</b>
<b>Current Liabilities</b>					
Trade Payables	C	36.75	141.15	115.99	149.78
Other Current Liabilities	D	-	41.82	1.53	18.10
Short Term Provisions	D	17.92	3.66	8.47	5.31
<b>Total (C)</b>		<b>54.68</b>	<b>186.63</b>	<b>125.98</b>	<b>173.19</b>
<b>Total (D=A+B+C)</b>		<b>151.39</b>	<b>329.76</b>	<b>246.10</b>	<b>271.71</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, Plant & Equipment:					
(i) Tangible Assets	E	6.22	14.61	0.25	0.30
(ii) Intangible Assets		-	-	-	-
Non-current investments	F	-	24.28	21.10	-
<b>Total (E)</b>		<b>6.22</b>	<b>38.89</b>	<b>21.35</b>	<b>0.30</b>
<b>Current Assets</b>					
Inventories	G	35.54	1.65	0.60	0.86
Trade Receivables	H	104.06	37.78	68.68	155.15
Cash & Bank Balances	I	1.35	46.83	49.25	39.59
Short Term Loans & Advances & Other Current Assets	J	4.21	204.61	106.22	75.81
<b>Total (F)</b>		<b>145.16</b>	<b>290.87</b>	<b>224.75</b>	<b>271.41</b>
<b>Total (G=E+F)</b>		<b>151.38</b>	<b>329.76</b>	<b>246.10</b>	<b>271.71</b>

 For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number:  
009462N

 Suvir Sharma  
(Partner)  
Membership Number:  
088272 Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKA0GE8314

 For & Behalf of  
For Davin Sons Retail LTD

 Mohit Arora  
Chairman and Managing Director  
DIN:07231072

**Annexure II**  
**STATEMENT OF PROFIT AND LOSS, AS**  
**RESTATED PROP. JESUS SHIRT**

(Rs. in Lacs)

Particulars	Annexure No.	Proprietorship			
		For the year ended on			
		28.02.2023 (From 1st April 2022 to 28th February 2023)	31.03.2022	31.03.2021	31.03.2020
<b>Income</b>					
Revenue from Operations	K	132.72	88.88	150.07	412.31
Other Income	L	0.02	0.02	1.38	0.00
<b>Total Income (A)</b>		<b>132.74</b>	<b>88.89</b>	<b>151.45</b>	<b>412.31</b>
<b>Expenditure</b>					
Purchase of materials	M	72.68	47.84	86.68	317.86
Changes in Inventories of stock in trade	N	(33.88)	(1.05)	0.26	3.19
Finance Cost	O	0.10	0.05	0.05	0.40
Employee Benefit & Other expenses	P	37.81	34.68	51.39	74.43
Depreciation and Amortization Charges	E	0.91	0.04	0.04	0.05
<b>Total Expenditure (B)</b>		<b>77.61</b>	<b>81.55</b>	<b>138.41</b>	<b>395.93</b>
<b>Profit before exceptional and extraordinary items and tax (C=A-B)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
Exceptional items (D)		-	-	-	-
<b>Profit before extraordinary items and tax (E=C-D)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
Extraordinary items (F)		-	-	-	-
<b>Net Profit before Tax (G=E-F)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
<b>Less: Provision for Taxes (H)</b>					
Current Tax		17.92	1.60	6.53	4.63
Deferred Tax		-	-	-	-
Earlier Tax		-	-	-	-
<b>Profit (Loss) for the period (G-H)</b>		<b>37.20</b>	<b>5.75</b>	<b>6.51</b>	<b>11.74</b>

For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number:  
009462N

Suvir Sharma  
(Partner)  
Membership Number:  
088272 Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKA0GE8314

For & Behalf of  
For Davin Sons Retail LTD

Mohit Arora  
Chairman and Managing Director  
DIN:07231072

**ANNEXURE-III**  
**STATEMENT OF CASH FLOWS, AS RESTATED**  
**PROP.JESUS SHIRT**

(Rs. in Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before taxes	55.13	7.34	13.04	16.37
Adjustment for:				
Add: Depreciation & Amortizations	0.91	0.04	0.04	0.05
Add: Bad Debts Written Off	-	-	-	-
Add: Discount	1.21	-	-	-
Less: Discount Income	-	-	(1.38)	-
Less :Discount component in Purchases	(1.21)	-	1.38	-
Less: Interest Income	(0.02)	(0.02)	(0.01)	(0.00)
Add: Loss on Disposal of Assets	7.49	-	-	-
Operating Profit before Working capital changes	63.50	7.36	13.07	16.43
Adjustments for:				
(Increase)/ Decrease in Trade Receivable	(66.29)	30.91	86.47	(53.24)
(Increase)/ Decrease in Short Term Loans & Advances & Other Current Assets	200.39	(98.39)	(36.78)	28.56
(Increase)/ Decrease in Inventories	(33.88)	(1.05)	0.26	3.19
Increase/ (Decrease) in Other Current Liabilities	(41.82)	40.30	(16.58)	9.07
Increase/ (Decrease) in Short Term Provisions	14.27	(4.81)	3.16	2.43
Increase/ (Decrease) in Long Term Liability	-	-	-	-
Increase/ (Decrease) in Trade Payables	(104.40)	25.17	(33.79)	48.10
Cash Generated from/used in Operations	31.77	(0.52)	15.81	54.55
Direct Taxes paid	(17.92)	(1.60)	(6.53)	(4.63)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>13.84</b>	<b>(2.12)</b>	<b>9.29</b>	<b>49.92</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale / (Purchase) of Property, Plant & Equipment (Including Capital goods)	-	(14.40)	-	30.28
(Increase)/ Decrease in Fixed Deposit	-	-	-	-
Interest Received	0.02	0.02	0.01	0.00
(Increase)/ Decrease in Other Non-Current Assets	-	-	-	-
(Increase)/ Decrease in Long Term Loans & Advances	-	-	-	-
(Increase)/ Decrease in Current Investments	-	-	-	-
(Increase)/ Decrease in Non Current Investments	24.28	(3.18)	(14.73)	(0.51)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>24.30</b>	<b>(17.56)</b>	<b>(14.72)</b>	<b>29.77</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Add/(less) : Net Introduction/ (Drawings)	(26.04)	4.61	(9.68)	(45.29)
Increase/ (Decrease) in Long Term Borrowings	(57.57)	12.66	24.77	4.61
Interest paid	-	-	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(83.61)</b>	<b>17.26</b>	<b>15.09</b>	<b>(40.68)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(45.48)</b>	<b>(2.42)</b>	<b>9.65</b>	<b>39.00</b>
Cash and cash equivalents at the beginning of the year / Period	46.83	49.25	39.59	0.59
Cash and cash equivalents at the end of the year/ Period	1.35	46.83	49.25	39.59

For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number: 009462N

Suvir Sharma  
(Partner)  
Membership Number: 088272  
Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKAOG8314

For & Behalf of  
For Davin Sons Retail LTD

Mohit Arora  
Chairman and Managing Director  
DIN:07231072

GENERAL INFORMATION

Updation of following:

**LEAD MANAGERS TO THE ISSUE**

**NAVIGANT CORPORATE ADVISORS LIMITED (NCAL)**

804, Meadows, Sahar Plaza Complex,  
J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059

**Tel No.** +91-22-41204837

**Email Id-**[navigant@navigantcorp.com](mailto:navigant@navigantcorp.com)

**Investor Grievance Email:**

[info@navigantcorp.com](mailto:info@navigantcorp.com)

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

**SEBI Registration Number:** INM000012243

**Contact Person:** Mr. Sarthak Vijlani

**STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since, Navigant Corporate Advisors Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager is not applicable.

**CAPITAL STRUCTURE**
**Shareholding of our Promoters**

As on the date of this Draft Prospectus, our Promoters holds 90.68% of the pre-issued, subscribed and paid-up Equity Share Capital of our Company. Build-up of the shareholding of our Promoters in our Company since incorporation:

**MR. DAVINDER ARORA**

Date of Allotment/ Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	4,000	4,000	10/-	10/-	0.11%	0.08%
23 <sup>rd</sup> May, 2023	Bonus Issue	Other than cash	20,000	24,000	10/-	Nil	0.55%	0.38%
20 <sup>th</sup> June, 2023	Conversion of Loan	Other than cash	1,11,144	1,35,144	10/-	50/-	3.03%	2.11%
27 <sup>th</sup> June, 2023	Bonus Issue	Other than cash	2,70,288	4,05,432	10/-	Nil	7.37%	5.13%
	<b>Total</b>		<b>4,05,432</b>				<b>11.06%</b>	<b>7.70%</b>

**MRS. LALITA RANI**

Date of Allotment/ Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	400	400	10/-	10/-	0.01%	0.01%
23 <sup>rd</sup> May, 2023	Bonus Issue	Other than cash	2,000	2,400	10/-	Nil	0.05%	0.04%
20 <sup>th</sup> June, 2023	Conversion of Loan	Other than cash	1,27,640	1,30,040	10/-	50/-	3.48%	2.42%
27 <sup>th</sup> June, 2023	Bonus Issue	Other than cash	2,60,080	3,90,120	10/-	Nil	7.09%	4.94%
	<b>Total</b>		<b>3,90,120</b>				<b>10.64%</b>	<b>7.41%</b>

**MRS. SONAM ARORA**

Date of Allotment/ Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	400	400	10/-	10/-	0.01%	0.01%

**Davin Sons Retail Limited**

Date of Allotment / Transfer	Nature of Issue / Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition / Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
23 <sup>rd</sup> May, 2023	Bonus Issue	Other than cash	2,000	2,400	10/-	Nil	0.05%	0.04%
20 <sup>th</sup> June, 2023	Conversion of Loan	Other than cash	3,990	6,390	10/-	50/-	0.11%	0.08%
27 <sup>th</sup> June, 2023	Bonus Issue	Other than cash	12,780	3,90,120	10/-	Nil	0.35%	0.24%
	<b>Total</b>		<b>19,170</b>				<b>0.52%</b>	<b>0.36%</b>

**Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group:**

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Mr. Mohit Arora	19,26,126	52.53%	19,26,126	36.58%
Mr. Nohit Arora	5,84,130	15.93%	5,84,130	11.09%
Mr. Davinder Arora	4,05,432	11.06%	4,05,432	7.70%
Mrs. Lalita Rani	3,90,120	10.64%	3,90,120	7.41%
Mrs. Sonam Arora	19,170	0.52%	19,170	0.36%
<b>Promoter Group</b>				
-	-	-	-	-
<b>Total</b>	<b>33,24,978</b>	<b>90.68%</b>	<b>33,24,978</b>	<b>63.14%</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Mohit Arora	19,26,126	5.33
Mr. Nohit Arora	5,84,130	9.22
Mr. Davinder Arora	4,05,432	13.81
Mrs. Lalita Rani	3,90,120	16.37
Mrs. Sonam Arora	19,170	10.62

**OBJECTS OF THE ISSUE**

***Updation of following first para in object no 1 i.e. To Finance the Capital Expenditure for purchase of Warehouse on page 76 of Draft Prospectus:***

Our Company is engaged in Garment business through manufacturing by third party job workers and distribution of FMCG products of large size FMCG Companies in India for whom we distribute Branded packaged FMCG products. Currently, our FMCG warehouse is situated at Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana122001, our Company is having consumer base in various states including Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh. We intend to increase our revenue by expending our existing consumer base and adding more consumer by establishing more footprints in other high populated states to expand our geographical presence and enter the large domestic market for growth opportunities of our business where we can reach to large no of consumers.

***Insert of following in object no 2 i.e. To part finance Working Capital requirements of the Company on page 78 of Draft Prospectus:***

***Updation of first para as follows:***

Our Company is dependent on third party suppliers for procuring the raw material for manufacturing of readymade garments through job work basis. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production/ trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain highquality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

Following is the details of working capital as on 30<sup>th</sup> November, 2023:

Particulars	(Rs. In Lakhs)
	30-Nov-23 Audited
<b>Current Assets</b>	
Inventories	188.54
Trade receivables	367.88
Short Term Loans & Advances and Other Current Assets	46.02
Cash & Bank and Security Deposits	89.21
<b>Total</b>	<b>691.65</b>
<b>Current Liabilities</b>	
Trade payable	127.14
Other current liabilities	14.68
Short-term provisions	85.82
<b>Total</b>	<b>227.64</b>
Working Capital Gap	<b>464.01</b>
Internal Accruals and borrowings	<b>464.01</b>

*Note: Internal Accruals includes Paid up equity share capital and Reserves & Surplus of the Company.*

**Justification & assumptions for holding period**
**Assumptions for Holding Levels**

<b>Particulars</b>	<b>Nov 30, 2023</b>
Inventories (Days)	76
Trade Receivables (Days)	95
Trade Payables (Days)	69

**Justification for holding period levels**

<b>Inventories</b>	<i>In order to achieve large volume, facilitating delivery on call and migrating to next orbit of growth, we need to maintain higher inventory levels. Further we have to maintain inventory for each of our supplier for whom we distribute the products so more the supplier, inventory will increase. The range of inventory holding period is 101 days in F.Y 2022-23, 76 days for the period ended 30<sup>th</sup> November, 2023. We expect the inventory holding period to 79 days in F.Y 2023-24- and 80-days F.Y 2024-25 indicates that Company expects to maintain the strict Inventory maintenance policy. Further to ensure adequate availability of the products to meet our growth requirements and to cater to more companies and customers, we may need to maintain higher inventory in future.</i>
<b>Trade Receivables</b>	<i>Trade receivables are the amount owed to the Company by customers following sale of goods on credit. Our Trade Receivables days for FY 2022-23 are 147 days and for the period ended 30<sup>th</sup> November, 2023 is 95 days. Our Company has estimated average trade receivable cycle to be 84 days for FY 2023-24 &amp; FY 2024-25 respectively. Our trade receivables may be increased to aim higher revenue with our efforts to penetrate new customers and attract more orders, Company will be required to offer enhanced more credit that will encourage our customers to have a long-term business relation with us.</i>
<b>Trade Payables</b>	<i>We to negotiate favourable terms with the supplier, enabling better working capital management. In line with increase in business operations there will be consequent increase in trade payables on account of increase in purchases. This increase in payables is necessary to accommodate the larger volume of purchases required to support the business growth. The Company Trade Payable is 132 days in FY 2022-23 and 69 days for the period ended 30<sup>th</sup> November, 2023. The Company is expecting to keep Trade Payable days in FY 23-24 to 107 days &amp; in FY 2024-25 to 69 days consequent to increase in payables on account of overall business operations.</i>
<b>Short-Term Loans &amp; Advances</b>	<i>In routine business, Company has to make various short-term advances for the material and other third- party services to be used during the business operations. Accordingly, in line with increase in business operations, there will be need to purchase materials and goods by making advance payments, thereby there will be increase in short term loan and advances.</i>
<b>Other Current Liabilities</b>	<i>We have reserved some fund for the purpose of paying daily expenses, operation cost for maintenance, duties &amp; taxes and other statutory dues.</i>
<b>Short term Provision</b>	<i>Short term provisions enable us to set aside funds to address any potential defects, recalls, or issues related to products etc, this help us to minimize downtime and losses. Since business is growing, we have allocated reserve fund for liabilities related to taxes, and other such regulatory compliances.</i>
<b>Cash and Cash Equivalents</b>	<i>Cash &amp; Cash Equivalents is in line with the previous year. The said balance is to maintain liquidity for day-to-day operations of the company. The amount of Cash and Cash Equivalent is considered on account of increase in operations and turnover, and such amounts will be required to meet the day-to-day expenses and to take advantage of situations of price fluctuations, etc.</i>



**BASIS FOR ISSUE PRICE**

***Updation of following in Point 7 on page no 87 of Draft Prospectus:***

We are mainly engaged in business of manufacturing of readymade garments through job work basis and distributorship of FMCG products and there is no listed peer group company which are strictly comparable to us with respect to the industry and business segment in which we operate and the size of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

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**OUR BUSINESS**
**OVERVIEW:**

*Updation of third para as follows:*

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments through job work basis. Later, on 01st August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non Alcoholic Energy Drinks, Chips etc.

*Updation of fifth para as follows:*

Our Company has two business verticals:

1. Manufacturing of readymade Garments through job work basis;
2. Distribution of FMCG products

**Updating of following para on page no 116 of Draft prospectus**

**Raw Material**

We source all our FMCG products from the Company for which we distribute the products, accordingly there is no difficulty in getting the products for our business. Our Raw material for manufacturing of readymade garments through job work basis comprise finished fabric, accessories such as fasteners, buttons, labels, and other consumables. We purchase the finished fabric and other raw materials from variety of suppliers. We source the material from various vendors situated at Delhi & Mumbai.

**Updation of following on page 121 of Draft Prospectus:**

**Details of Property owned or taken on lease by Our Company:**

Sr.No.	Details of the Property	Lessor	Consideration	Use	Lease period
1.	609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi -110034.  Area: 500 Square Feet.	Mr. Manoj Sharma and Mrs. Reeta Bhardwaj	Rs. 32,500 per month.	Registered office	2 years w.e.f. 1st April, 2023
2.	WZ-410/2, Second Floor, Shakurpur Village, Near Britania Chowk, Delhi- 110034.  Area: 900 Sq. ft.	Mr. Sushil Yadav	Rs. 14,000 per month	Warehouse	11 months w.e.f. 1 <sup>st</sup> July, 2023.
3.	Warehouse size 35x130, Situated at Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001.	Mr. Suresh Tiwari	Rs. 55,000 per month	Warehouse	3 years w.e.f. 14 <sup>th</sup> July, 2022

Sr.No.	Details of the Property	Lessor	Consideration	Use	Lease period
	Area: 4550 Sq. ft.				

Insert of following on page 115 of Draft Prospectus:

### Garment process Flow Chart

Our Company is engaged in garment business covering diverse range of high-quality jeans, jackets and shirts to its customers, we outsource entire manufacturing to third party job workers.

Our Company provides the technical specifications such as designs, pattern, quality fabric, labels, washcares etc. to them who, based on our specifications, begin the manufacturing process as per our requirements. However, the raw materials for manufacturing of garments like buttons, fabrics, patterns are purchased by our company which are provided to the job workers for manufacturing as per specifications. Post manufacturing such as:

- Addition of Buttons & Accessories,
- Ironing & Finishing,
- Quality Check,
- Bar-Codings,
- Packing,
- Inspection by Customer,
- Cartooning, and
- Dispatching

are carried out at our warehouse.

This is to further submit that Our company outsource its entire manufacturing activities to job workers particularly situated at Delhi on Non-Exclusive basis, which specializes in manufacturing the readymade garments accordingly to the specifications provided to them. Practically, they don't enter any into exclusive agreement to bound themselves by executing any exclusive manufacturing agreement.

Following is the brief flow chart of garment manufacturing activities:

Flow Chart	Work undertaken by
<p><b>1. Sampling and Designing:</b></p> <p>The first stage for garment production is sampling and designing of sample as per the requirements.</p>	Company
<p><b>2. Approved Sample:</b></p> <p>The sample approval process works as follows: we send the pre-production sample to the Customer. Sample once approved by the Customer will be considered as the approved sample for production.</p>	Customer
<p><b>3. Production Pattern:</b></p> <p>The production pattern is created after the sample garment. Production patterns are made in different sizes for a larger number of productions.</p>	Company
<p><b>4. Procurement of Fabrics:</b></p>	Company

Flow Chart	Work undertaken by
<p>Our procurement team assess the options available to them and shortlist the vendors that can fulfil the company's demands on time, at minimum cost, and with the highest quality raw material.</p>	
<p><b>5. Advance for Raw Material:</b></p> <p>We make the advance payment to selected vendors for designs, pattern, quality fabric, labels, washcares etc. and as the material gets ready it is delivered to our Company.</p>	<p><b>Company</b></p>
<p><b>6. Cutting:</b></p> <p>Cutting is separating of the garment into its components. Once the marker is made, pattern pieces must be cut out of the specified fabric.</p>	<p><b>Job Worker</b></p>
<p><b>7. Sorting &amp; Bundling:</b></p> <p><b>Sorting:</b> In phase of sorting our team collect all the components of garments at one place. Size wise sorting and in case multiple colours, colour wise sorting is initiated.</p> <p><b>Bundling:</b> In the process of bundling a certain number of pieces with all components are tied together.</p>	<p><b>Job Worker</b></p>
<p><b>8. Sewing:</b></p> <p>There are two things involved in sewing process, i.e. stitches and seams. The main purpose of sewing is to produce seam.</p> <p>Sewing takes place after fabric is cut according to the customer's specifications, with workers stitching pieces of fabric together to make the finished garment. Sewing is completed either manually or with a sewing machine.</p>	<p><b>Job Worker</b></p>
<p><b>8. Washing:</b></p> <p>Washing is normally done after stitching.</p>	<p><b>Job Worker</b></p>
<p><b>9. Addition of Buttons &amp; Accessories:</b></p> <p>At this stage, buttons, and other accessories are added to the article as per the design specifications.</p>	<p><b>Company</b></p>
<p><b>10. Ironing &amp; Finishing:</b></p> <p><b>Ironing:</b> During process of ironing all the unwanted creases and wrinkles are removed from the garments and the outlook of the garments is improved by the required person. The Ironing process influences the final garment appearance</p> <p><b>Finishing:</b> Finishing is very important because buyers satisfaction depends on it. Finishing involves pressing, folding and packing of garments. Finishing department takes care of the following functions: Trimming Stain removing Repairing Ironing.</p>	<p><b>Company</b></p>

Flow Chart	Work undertaken by
<p><b>11. Quality Check:</b></p> <p>After finishing, quality is being checked for the article.</p>	<b>Company</b>
<p><b>12. Barcoding:</b></p> <p>Before packing garments, a barcode is inserted in the article. If any article barcode can't read by a scanner, will put away &amp; marking unable to pack.</p>	<b>Company</b>
<p><b>13. Packing:</b></p> <p>In the process of packaging the team wrap, compress, filling or creating of goods for the purpose of protection too their appropriate handling.</p>	<b>Company</b>
<p><b>14. Inspection by Buyer:</b></p> <p>The inspection is done in terms of quality by Customer. Moreover, it includes the checking of fabrics, sewing, Zipper &amp; other parameters.</p>	<b>Customer</b>
<p><b>15. Cartooning:</b></p> <p>After completing the entire manufacturing task, articles is required to live packed. After packing, it is placed inward cartons every bit per instructions too and it is delivered to the respective buyer.</p>	<b>Company</b>
<p><b>16. Dispatching:</b></p> <p>The cartoons of the manufactured garments are delivered or placed in the dispatch department or finished product godown, from where the garments lot is delivered for shipment.</p>	<b>Company</b>

Insert of following on page 118 of Draft prospectus:

**HUMAN RESOURCES:**

*All the employees as mentioned above is on the payroll of the Company.*

Insert of following on page 109 of Draft prospectus:

**Following is the details of % of contribution of all the brands for the period ended 30<sup>th</sup> November, 2023:**

Brand/ Product	% of Total FMCG Revenue for the period ended 30 <sup>th</sup> November, 2023
PARLE	23.35%
BUDWEISER	18.23%
HELL	22.22%
Other Product mix	36.19%
<b>Total FMCG Revenue</b>	<b>100.00%</b>

*Delete of following para on page 108 of the Draft Prospectus:*

We are also a part of the Fast-Moving Consumer Goods (FMCG) industry which continues to be one of the biggest long-term sustainable business opportunities that our country offers. Despite being one of the fastest growing markets globally for FMCG products, India's per capita FMCG consumption is still amongst the lowest in the world, giving this industry a long runway for growth. Our Company strives to bring the best global products to its customers by providing last mile connectivity to large consumer product companies.

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**HISTORY AND CERTAIN CORPORATE MATTERS**

**BRIEF HISTORY OF OUR COMPANY**

*Updation of first para as follows:*

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments through job work basis. Later, on 01st August, 2022 our Company added objects relating to distribution of FMCG products of well-known brands to various retailers, Shopkeepers and other distributors & agents.

*Updation of third para as follows:*

Our business is categorised in two categories:

1. Manufacturer of Garments through job work basis;
2. Distribution of FMCG products.

*Updation of following on page 132 of Draft Prospectus:*

**MAJOR EVENTS IN THE HISTORY OF OUR COMPANY**

<i>Year</i>	<i>Key Events/Milestones/Achievements</i>
<i>February, 2022</i>	<i>Incorporation of our Company as limited company in the name of “Davin Sons Retail Limited”</i>
<i>July, 2022</i>	<i>Started the vertical line of business of distribution of FMCG products.</i>
<i>March, 2023</i>	<i>Acquisition of the running business of “Jesus Shirts” vide business purchase agreement dated 2nd March, 2023.</i>

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**OUR MANAGEMENT**

*Updation of following on page 138 of Draft Prospectus:*

**BRIEF PROFILE OF OUR DIRECTORS**

**Mr. Mohit Arora**, aged 37 years, is the Promoter, Chairman & Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He is Higher Secondary and having rich experience of more than 10 years in the Garment & Textile Industry and distribution. He started his entrepreneur journey as a proprietor of M/s Jesus Shirts in the year 2012, his experience in the Garment & Textile Industry and distribution channel & Networking and his attention to detail are the qualities that ensure that every activity is undertaken and implemented smoothly and professionally. He looks after of routine operational activities of our Company. With his experience, he guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. He is on Board of Company since incorporation i.e. 8th February, 2022.

**Mr. Nohit Arora**, aged 33 years, is the Promoter and whole-time director of our Company. He is Higher Secondary and having rich experience of more than 10 years in Garment & Textile Industry and distribution. In the year 2012, he was engaged in distribution of clothing business through his proprietary concern, Later, during the year 2018, he joined the business of M/s. Jesus shirt with Mr. Mohit Arora. His experience in Textile Industry and distribution channel & Networking are the qualities that ensure that every activity is undertaken and implemented smoothly. He guides Company in growth strategies, operations, opportunities and lighting the Company in increasing its scale. He has been associated with our Company since incorporation i.e. 8th February, 2022. He holds 5,84,130 Equity Shares, representing 15.93% of the issued, subscribed and paid-up Equity Share capital of our Company.



**OUR PROMOTERS & PROMOTER GROUP**


*Insert of following on page 150 of Draft Prospectus:*


**OUR PROMOTERS AND PROMOTER GROUP**

**Our Promoters:**


Mr. Mohit Arora, Mr. Nohit Arora, Mr. Davinder Arora, Mrs. Lalita Rani and Mrs. Sonam Arora. As on the date of this Draft Prospectus, our Promoters hold 33,24,978 Equity shares representing 90.68% of the issued, subscribed and paid-up Equity Share capital of our Company.

The details of our Promoters are as under:

<b>Mr. Davinder Arora</b>	
	<p>Mr. Davinder Arora, aged 62 years, is the Promoter of our Company. He has been a subscriber to the Memorandum of Association of our Company. He is Higher Secondary and having proven experience in the Garment &amp; Textile Industry and distribution. His experience in the Garment &amp; Textile Industry and distribution channel &amp; Networking and his attention to detail are the qualities that ensure that every activity is undertaken and implemented smoothly and professionally. With his experience, he guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. He holds 405432 Equity Shares, representing 11.06% of the issued, subscribed and paid-up Equity Share capital of our Company.</p>
	<b>Date of Birth:</b> 24.09.1961
	<b>Nationality:</b> Indian
	<b>PAN:</b> ADIPA0196L
	<b>Bank Account Details:</b> ICICI Bank, Gurgaon Haryana, DLF City, Phase III, Gurgaon, 122002, Account no. 661401700494
	<b>Residential Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101
	<b>Other Interests:</b> Davin Impex Private Limited, Hatch Yard Private Limited and Davinder Arora HUF

<b>Mrs. Lalita Rani</b>	
	<p><b>Mrs. Lalita Rani</b>, aged 60 years, is the Promoter of our Company. She has been a subscriber to the Memorandum of Association of our Company. She is Matriculation and having experience in the Human Resource, Networking and Distribution. With her experience, she guides Company in networking and Distribution. She holds 3,90,120 Equity Shares, representing 10.64% of the issued, subscribed and paid-up Equity Share capital of our Company.</p>
	<b>Date of Birth:</b> 05.10.1963
	<b>Nationality:</b> Indian
	<b>PAN:</b> AFGPR5592H
	<b>Bank Account Details:</b> Indusind Bank, Badshahpur, Gurgaon Haryana, , 122001, Account no. 158700925903

	<b>Residential Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101
	<b>Other Interests:</b> Nil

<b>Mrs. Sonam Arora</b>	
	<p><b>Ms. Sonam Arora</b>, aged 34 years, is the Promoter and the Non-Executive Director of our Company. She has been a subscriber to the Memorandum of Association of our Company. She is Graduated in Arts. She has knowledge and experience in the fields of marketing as a freelancer. She is result oriented, focused, hardworking person and provides marketing advice and guidance to the members of the Board of Directors. She holds 19,170 Equity Shares, representing 0.52% of the issued, subscribed and paid-up Equity Share capital of our Company.</p>
	<b>Date of Birth:</b> 11.09.1989
	<b>Nationality:</b> Indian
	<b>PAN:</b> CTIPA2575B
	<b>Bank Account Details:</b> Indusind Bank, Badshahpur, Gurgaon Haryana, 122001, Account no. 157827771270
	<b>Residential Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101
	<b>Other Interests:</b> Nil

Insert of following on page 153 of Draft Prospectus:

#### **OUR PROMOTER GROUP**

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

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

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

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Mr. Davinder Arora</b>	Late Ram Lal Arora	Father
	Late Ram Devi	Mother
	Mrs. Lalita Rani	Spouse
	Mr. Ravinder Arora	Brother
	-	Sister
	Mr. Mohit Arora and Mr. Nohit Arora	Son
	-	Daughter
	Late Narayan Das Kathuria	Spouse's Father
	Late Pushpa Rani	Spouse's Mother
	-	Spouse's Brother
Mrs. Neeru Juneja	Spouse's Sister	

**Davin Sons Retail Limited**

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Mrs. Lalita Rani</b>	Late Narayan Das Kathuria	Father
	Late Pushpa Rani	Mother
	Mr. Davinder Arora	Spouse
	-	Brother
	Mrs. Neeru Juneja	Sister
	Mr. Mohit Arora and Mr. Nohit Arora	Son
	-	Daughter
	Late Ram Lal Arora	Spouse's Father
	Late Ram Devi	Spouse's Mother
	Mr. Ravinder Arora	Spouse's Brother
-	Spouse's Sister	

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Mrs. Sonam Arora</b>	Mr. Kashmiri Lal Gandhi	Father
	Mrs. Anita Gandh	Mother
	Mr. Mohit Arora	Spouse
	Mr. Aman Kumar	Brother
	Mrs. Sonia Kapoor and Mrs. Sakshi Arora	Sister
	Master Garv Arora	Son
	-	Daughter
	Mr. Davinder Arora	Spouse's Father
	Ms. Lalita Rani	Spouse's Mother
	Mr. Nohit Arora	Spouse's Brother
	-	Spouse's Sister

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**RESTATED FINANCIAL STATEMENTS OF M/S. JESUS SHIRTS (PROPRIETORSHIP)**

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**RESTATED FINANCIAL STATEMENTS OF**  
**JESUS SHIRT (PREVIOUSLY PROPRIETORSHIP FIRM WHICH WAS TAKEN OVER W.E.F. 02<sup>ND</sup>**  
**MARCH, 2023 AS PER BUSINESS TRANSFER AGREEMENT BY DAVIN SONS RETAIL LIMITED)**  
**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

To,  
The Board of Directors of  
Davin Sons Retail Ltd  
(Previously Proprietorship Firm Jesus Shirt-Business Take-Over w.e.f. 2<sup>nd</sup> March, 2023 as per Business Transfer Agreement)  
609, Sixth Floor, P.P City Center,  
Plot No. 3, Road No. 44, Pitampura, Rani Bagh,  
North West Delhi -110034

Dear Sir,

**Reference: - Proposed Public Issue of Equity Shares of Davin Sons Retail Limited**

We have examined the attached Restated Financial Statement of Davin Sons Retail Limited (Previously Proprietorship Firm Jesus Shirt -Business Take-Over w.e.f. 02<sup>nd</sup> March, 2023 as per Business Transfer Agreement) (hereunder referred to "the Company", "Issuer") comprising the Restated Statement of Assets and Liabilities as on February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020, the Restated Statement of Profit & Loss, the Restated Cash Flow Statement for the February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020, the statement of Significant Accounting Policies and other explanatory Information (Collectively the Restated Financial Statement ) as approved by the Board of Directors in their meeting held on 06th February, 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/Prospectus ("Offer Document") in connection with its proposed Initial Public Offering (IPO) of equity shares, prepared by the Company in connection with its Initial Public Offer of Equity Shares (IPO) prepared in terms of the requirement of :-

- a) Section 26 and 32 of Part I of Chapter III of the Companies Act, 2013 as amended (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 as amended ("SEBI ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2020) issued by the Institute of Chartered Accountants of India as amended from time to time. ("The Guidance Note")

The Company's Board of Directors is responsible for the preparation of the Restated Financial Statement for the purpose of inclusion in the offer document to be filed with Stock Exchange, Securities and Exchange Board of India, and Registrar of Companies, of relevant state in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company for the February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 on the basis of notes to restatement in note IV to the Restated Financial Statement. The Board of Directors of the company's responsibility includes designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statement.

We have examined such Restated Financial Statement taking into consideration:

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**Davin Sons Retail Limited**

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- d) The requirements of Section 26 and 32 of the Act and the SEBI ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

This Restated Financial Statements have been compiled by the management from:

- a) Audited financial statements of the company as at and for the February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020.

For the purpose of our examination, we have relied on:

The modification in restated financials were carried out based on the modified reports, if any, issued by Statutory Auditor which is giving rise to modifications on the financial statements as at and for the February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020.

- a) The Restated Financial Statement have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- b) The Restated Financial Statement have been made after incorporating adjustments for prior period and other material amounts in the respective financial year to which they relate;
- c) Extra-ordinary items that need to be disclosed separately in the accounts has been disclosed wherever required;
- d) 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 IV to this report;
- e) Adjustments in Restated Financial Statement have been made in accordance with the correct accounting policies,
- f) There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement.
- g) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statement.

In accordance with the requirements of Part I of Chapter III of Act including rules made there under, ICDR Regulations, Guidance Note and Engagement Letter, we report that

- a) The "Restated Statement of Assets and Liabilities" as set out in Annexure I to this report, of the Company as on February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the erstwhile Proprietorship firm, as

## Davin Sons Retail Limited

in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

b) The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 is prepared by the Company and approved by the Board of Directors. These Restated Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the erstwhile Proprietorship firm, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.

c) The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 is prepared by the Company and approved by the Board of Directors. 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 February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 proposed to be included in the Offer Document for the proposed IPO.

Restated Statement of Proprietor's Capital	Annexure -A
Restated Statement of Long Term	Annexure- B
Restated Statement of Trade Payables	Annexure -C
Restated Statement of Other Current Liabilities and short-term Provisions	Annexure -D
Restated Statement of Property, Plant and Equipment	Annexure - E
Restated Statement of Non-current Assets	Annexure - F
Restated Statement of Inventory	Annexure - G
Restated Statement of Trade Receivables	Annexure-H
Restated Statement of Cash & Cash Equivalents	Annexure-I
Restated Statement of Short-Term Loans and Advances AND Other Current Assets	Annexure-J
Restated statement of Revenue from operation	Annexure- K
Restated Statement of Other Income	Annexure- L
Restated Statement of Purchase of Goods	Annexure - M
Restated Statement of Change in Inventories	Annexure -N
Restated Statement of Finance Cost	Annexure - O
Restated Statement of Employee Benefits & Other Expenses	Annexure -P

In our opinion and to the best of information and explanation provided to us, the Restated Financial Statement of the Company, read with significant accounting policies and notes to accounts as appearing in Annexure IV are prepared after providing appropriate adjustments and regroupings as considered appropriate.

We, M/s. Sharma Sharma & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and our peer Review Certificate is valid as on the date of signing of this report.

The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the erstwhile Proprietorship firm, and are in accordance with the provisions of the Act and SEBI ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.

**Davin Sons Retail Limited**

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.

We have no responsibility to update our report for events and circumstances occurring after the date of the report.

In our opinion, the above Financial Statements along with Annexure A to P of this report read with the respective Significant Accounting Policies and Notes to Accounts as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Companies Act, SEBI ICDR Regulations, Engagement Letter and Guidance Note issued by ICAI.

Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the Proposed SME IPO of Equity Shares of the Company and our report should not be used, referred to or distributed for any other purpose without our prior consent in writing.

**For Sharma Sharma & Co.  
(Chartered Accountants)**

**Suvir Sharma  
(Partner)  
Membership No: 088272  
Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKAOGE8314**

**ANNEXURE-I  
STATEMENT OF ASSETS AND LIABILITIES, AS  
RESTATEd PROP.JESUS SHIRT**

(Rs. in Lacs)

Particulars	Annexure No.	Proprietorship			
		For the year ended on			
		28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>Equity &amp; Liabilities</b>					
Proprietor's Capital	A	47.75	36.59	26.24	29.41
<b>Total (A)</b>		<b>47.75</b>	<b>36.59</b>	<b>26.24</b>	<b>29.41</b>
<b>Non-Current Liabilities</b>					
Long Term Borrowings	B	48.96	106.54	93.88	69.10
<b>Total (B)</b>		<b>48.96</b>	<b>106.54</b>	<b>93.88</b>	<b>69.10</b>
<b>Current Liabilities</b>					
Trade Payables	C	36.75	141.15	115.99	149.78
Other Current Liabilities	D	-	41.82	1.53	18.10
Short Term Provisions	D	17.92	3.66	8.47	5.31
<b>Total (C)</b>		<b>54.68</b>	<b>186.63</b>	<b>125.98</b>	<b>173.19</b>
<b>Total (D=A+B+C)</b>		<b>151.39</b>	<b>329.76</b>	<b>246.10</b>	<b>271.71</b>
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, Plant & Equipment:					
(i) Tangible Assets	E	6.22	14.61	0.25	0.30
(ii) Intangible Assets		-	-	-	-
Non-current investments	F	-	24.28	21.10	-
<b>Total (E)</b>		<b>6.22</b>	<b>38.89</b>	<b>21.35</b>	<b>0.30</b>
<b>Current Assets</b>					
Inventories	G	35.54	1.65	0.60	0.86
Trade Receivables	H	104.06	37.78	68.68	155.15
Cash & Bank Balances	I	1.35	46.83	49.25	39.59
Short Term Loans & Advances & Other Current Assets	J	4.21	204.61	106.22	75.81
<b>Total (F)</b>		<b>145.16</b>	<b>290.87</b>	<b>224.75</b>	<b>271.41</b>
<b>Total (G=E+F)</b>		<b>151.38</b>	<b>329.76</b>	<b>246.10</b>	<b>271.71</b>

For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number:  
009462N

Suvir Sharma  
(Partner)  
Membership Number:  
088272 Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKA0GE8314

For & Behalf of  
For Davin Sons Retail LTD

Mohit Arora  
Chairman and Managing Director  
DIN:07231072



**Annexure II**  
**STATEMENT OF PROFIT AND LOSS, AS**  
**RESTATED PROP. JESUS SHIRT**

(Rs. in Lacs)

Particulars	Annexure No.	Proprietorship			
		For the year ended on			
		28.02.2023 (From 1st April 2022 to 28th February 2023)	31.03.2022	31.03.2021	31.03.2020
<b>Income</b>					
Revenue from Operations	K	132.72	88.88	150.07	412.31
Other Income	L	0.02	0.02	1.38	0.00
<b>Total Income (A)</b>		<b>132.74</b>	<b>88.89</b>	<b>151.45</b>	<b>412.31</b>
<b>Expenditure</b>					
Purchase of materials	M	72.68	47.84	86.68	317.86
Changes in Inventories of stock in trade	N	(33.88)	(1.05)	0.26	3.19
Finance Cost	O	0.10	0.05	0.05	0.40
Employee Benefit & Other expenses	P	37.81	34.68	51.39	74.43
Depreciation and Amortization Charges	E	0.91	0.04	0.04	0.05
<b>Total Expenditure (B)</b>		<b>77.61</b>	<b>81.55</b>	<b>138.41</b>	<b>395.93</b>
<b>Profit before exceptional and extraordinary items and tax (C=A-B)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
Exceptional items (D)		-	-	-	-
<b>Profit before extraordinary items and tax (E=C-D)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
Extraordinary items (F)		-	-	-	-
<b>Net Profit before Tax (G=E-F)</b>		<b>55.12</b>	<b>7.34</b>	<b>13.04</b>	<b>16.38</b>
Less: Provision for Taxes (H)					
Current Tax		17.92	1.60	6.53	4.63
Deferred Tax		-	-	-	-
Earlier Tax		-	-	-	-
<b>Profit (Loss) for the period (G-H)</b>		<b>37.20</b>	<b>5.75</b>	<b>6.51</b>	<b>11.74</b>

For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number:  
009462N

Suvir Sharma  
(Partner)  
Membership Number:  
088272 Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKA0GE8314

For & Behalf of  
For Davin Sons Retail LTD

Mohit Arora  
Chairman and Managing Director  
DIN:07231072

**ANNEXURE-III**  
**STATEMENT OF CASH FLOWS, AS RESTATED**  
**PROP..JESUS SHIRT**

(Rs. in Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before taxes	55.13	7.34	13.04	16.37
Adjustment for:				
Add: Depreciation & Amortizations	0.91	0.04	0.04	0.05
Add: Bad Debts Written Off	-	-	-	-
Add: Discount	1.21	-	-	-
Less: Discount Income	-	-	(1.38)	-
Less :Discount component in Purchases	(1.21)	-	1.38	-
Less: Interest Income	(0.02)	(0.02)	(0.01)	(0.00)
Add: Loss on Disposal of Assets	7.49	-	-	-
Operating Profit before Working capital changes	63.50	7.36	13.07	16.43
Adjustments for:				
(Increase)/ Decrease in Trade Receivable	(66.29)	30.91	86.47	(53.24)
(Increase)/ Decrease in Short Term Loans & Advances & Other Current Assets	200.39	(98.39)	(36.78)	28.56
(Increase)/ Decrease in Inventories	(33.88)	(1.05)	0.26	3.19
Increase/ (Decrease) in Other Current Liabilities	(41.82)	40.30	(16.58)	9.07
Increase/ (Decrease) in Short Term Provisions	14.27	(4.81)	3.16	2.43
Increase/ (Decrease) in Long Term Liability	-	-	-	-
Increase/ (Decrease) in Trade Payables	(104.40)	25.17	(33.79)	48.10
Cash Generated from/used in Operations	31.77	(0.52)	15.81	54.55
Direct Taxes paid	(17.92)	(1.60)	(6.53)	(4.63)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>13.84</b>	<b>(2.12)</b>	<b>9.29</b>	<b>49.92</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale / (Purchase) of Property, Plant & Equipment (Including Capital goods)	-	(14.40)	-	30.28
(Increase)/ Decrease in Fixed Deposit	-	-	-	-
Interest Received	0.02	0.02	0.01	0.00
(Increase)/ Decrease in Other Non-Current Assets	-	-	-	-
(Increase)/ Decrease in Long Term Loans & Advances	-	-	-	-
(Increase)/ Decrease in Current Investments	-	-	-	-
(Increase)/ Decrease in Non Current Investments	24.28	(3.18)	(14.73)	(0.51)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>24.30</b>	<b>(17.56)</b>	<b>(14.72)</b>	<b>29.77</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Add/(less) : Net Introduction/ (Drawings)	(26.04)	4.61	(9.68)	(45.29)
Increase/ (Decrease) in Long Term Borrowings	(57.57)	12.66	24.77	4.61
Interest paid	-	-	-	-
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(83.61)</b>	<b>17.26</b>	<b>15.09</b>	<b>(40.68)</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(45.48)</b>	<b>(2.42)</b>	<b>9.65</b>	<b>39.00</b>
Cash and cash equivalents at the beginning of the year / Period	46.83	49.25	39.59	0.59
Cash and cash equivalents at the end of the year/ Period	1.35	46.83	49.25	39.59

For Sharma Sharma & Co  
Chartered Accountants  
Firm Registration Number: 009462H

Suvir Sharma  
(Partner)  
Membership Number: 088272  
Place: Delhi  
Date: 06.02.2024  
UDIN: 24088272BKA0GE8314

For & Behalf of  
For Davin Sons Retail LTD

Mohit Arora  
Chairman and Managing Director  
DIN:07231072

**Annexure A**
**Statement of Share Capital, Reserves & Surplus, as Restated**

(Rs. in Lakhs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>Proprietor's Capital</b>				
Opening Balance	36.59	26.24	29.41	62.96
Add: Profit / (Loss) for the year	37.20	5.75	6.51	11.74
Add/(less) : Net Introduction/ (Drawings)	(26.04)	4.61	(9.68)	(45.29)
<b>Closing Balance</b>	<b>47.75</b>	<b>36.59</b>	<b>26.24</b>	<b>29.41</b>

**Annexure B**
**Statement of Long-Term Borrowings, as Restated**

(Rs. in Lakhs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>a. From Bank</b>				
Business Loan (Unsecured)	-	-		
Vehicle Loan	-	-		
<b>b. Loans from related parties</b>				
- Unsecured loans from Directors	-	-		
- Unsecured loans from Director's Relative	-	-		
<b>c. Other Loans &amp; Advances (Unsecured)</b>	<b>48.96</b>	<b>106.54</b>	<b>93.88</b>	<b>69.10</b>
<b>Total</b>	<b>48.96</b>	<b>106.54</b>	<b>93.88</b>	<b>69.10</b>

**Annexure C**
**Statement of Trade Payable, Restated**

(Rs. in Lakhs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>Current Liabilities</b>				
<b>Trade Payables</b>				
Due to Micro, small and medium enterprises	-	-		
Others	36.75	141.15	115.99	149.78
2 to 3 Years	-	-	-	-
<b>Sub Total (A)</b>	<b>36.75</b>	<b>141.15</b>	<b>115.99</b>	<b>149.78</b>

Annexure D

Statement of Other Current Liability and provision, Restated

(Rs. in Lakhs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<b>Other Current Liabilities</b>				
Advance from Customers	-	16.02	-	9.30
Other-Payable	-	25.80	1.53	8.81
				-
<b>Sub Total (B)</b>	-	<b>41.82</b>	<b>1.53</b>	<b>18.10</b>
<b>Provisions</b>				
Provision for Duties & taxes	-	-		
VAT/GST Payable	-	2.06	1.94	0.68
Income tax Provision	17.92	1.60	6.53	4.63
Provision : Others				
Audit fees payable				
<b>Sub Total (C)</b>	<b>17.92</b>	<b>3.66</b>	<b>8.47</b>	<b>5.31</b>
<b>Total (A+B+C)</b>	<b>17.92</b>	<b>45.48</b>	<b>10.00</b>	<b>23.41</b>

Annexure E  
Statement of Property Plant & Equipment, as Restated

(Rs. in Lakhs)

Particulars	PROPERTY, PLANT AND EQUIPMENTS				Total
	Computer s	Plant & Machinery	Furnitur e	Office Equipmen t	
<b>COST OR VALUATION</b>					
At 31 March 2019	-	0.35			0.35
Additions					
Disposals					
Other adjustments					
At 31 March 2020	-	0.35	-	-	0.35
Additions	-	-	-	-	-
Disposals					
Other adjustments					
At 31 March 2021	-	0.35	-	-	0.35
Additions	1.42	8.49	3.36	1.14	14.40
Disposals					-
Other adjustments					-
At 31 March 2022	1.42	8.84	3.36	1.14	14.75
Additions	-	-	-	-	-
Disposals	-	(7.49)	-	-	(7.49)
Other adjustments					-
At 28 February 2023	1.42	1.35	3.36	1.14	7.27
<b>DEPRECIATION</b>					
At 31 March 2019					
Charge for the year	-	0.05			0.05
Disposals					
Other adjustments					
At 31 March 2020	-	0.05	-	-	0.05
Charge for the year	-	0.04	-	-	0.04
Disposals					
Other adjustments					
At 31 March 2021	-	0.10	-	-	0.10
Charge for the year	-	0.04	-	-	0.04
Disposals	-	-	-	-	-
Other adjustments	-	-	-	-	-
At 31 March 2022	-	0.14	-	-	0.14
Charge for the year	0.28	0.14	0.34	0.14	0.91
Disposals	-	-	-	-	-
Other adjustments	-	-	-	-	-
At 28 February 2023	0.28	0.28	0.34	0.14	1.04
<b>NET BLOCK - Property, Plant &amp; Equipments</b>					
Other adjustments					
At 31 March 2020	-	0.30	-	-	0.30
At 31 March 2021	-	0.25	-	-	0.25
At 31 March 2022	1.42	8.70	3.36	1.14	14.61
At 28 February 2023	1.14	1.07	3.02	1.00	6.22

Annexure F  
Statement of Other Non Current Assets, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Fixed Deposit with Bank	-	5.86	5.86	-
Investment in Share	-	18.42	15.24	-
<b>Total</b>	<b>-</b>	<b>24.28</b>	<b>21.10</b>	<b>-</b>

Annexure G  
Statement of Inventories, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Raw Material	-	-	-	-
Work-in -Progress	-	-	-	-
Materials	35.54	1.65	0.60	0.86
Stock-in-Trade	-	-	-	-
<b>Total</b>	<b>35.54</b>	<b>1.65</b>	<b>0.60</b>	<b>0.86</b>

Annexure H  
Statement of Trade Receivables, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Trade Receivable (Exceeding Six Months)				
Secured, Considered Good	-	-	-	-
Unsecured, Considered Good	-	-	-	-
Doubtful	-	-	-	-
Less: Provision of Doubtful Trade Receivables	-	-	-	-
	-	-	-	-
Trade Receivable (Less than Six Months)				
Secured, Considered Good	-	-	-	-
Unsecured, Considered Good	104.06	37.77	68.68	155.15
Doubtful	-	-	-	-
Less: Provision of Doubtful Trade Receivables	-	-	-	-
	104.06	37.78	68.68	155.15
<b>Total</b>	<b>104.06</b>	<b>37.78</b>	<b>68.68</b>	<b>155.15</b>

Annexure I  
Statement of Cash & Cash Equivalent, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Cash balances	0.85	0.32	0.82	1.01
Balances with banks				
-In the Current Account	0.49	46.51	48.43	38.58
<b>Total</b>	<b>1.35</b>	<b>46.83</b>	<b>49.25</b>	<b>39.59</b>

Annexure J  
Statement of Short Term Loans & Advances and Other Current Assets, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<u>Short-Term Loans &amp; Advance</u>				
Advances paid to vendors	-	84.15	-	-
Loans & Advances Recoverable	2.20	120.46	106.22	69.44
	<b>2.21</b>	<b>204.61</b>	<b>106.22</b>	<b>69.44</b>
<u>Other Current Assets</u>				
Other Current Assets	2.00	-	-	6.37
	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>6.37</b>
<b>Total</b>	<b>4.21</b>	<b>204.61</b>	<b>106.22</b>	<b>75.81</b>

Annexure K  
Statement of Revenue from operation, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
b) Sale of Goods				
i) FMCG Sale	-	-	-	-
ii) Garment Sale	132.72	88.88	150.07	412.31
<b>Total</b>	<b>132.72</b>	<b>88.88</b>	<b>150.07</b>	<b>412.31</b>

Annexure L  
Statement of Other Income, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Interest Income	0.02	0.02	0.01	0.00
Discount Received		-	1.38	-
<b>Total</b>	<b>0.02</b>	<b>0.02</b>	<b>1.38</b>	<b>0.00</b>

Annexure M  
Statement of Purchase of Goods, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Purchase	72.68	47.84	86.68	317.86
<b>Total</b>	<b>72.68</b>	<b>47.84</b>	<b>86.68</b>	<b>317.86</b>

Annexure N  
Statement of Changes in Inventories, as Restated

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
<u>Inventories at end of year</u>				
Materials	35.54	1.65	0.60	0.86
	35.54	1.65	0.60	0.86
<u>Inventories at beginning of year</u>				
Materials	1.65	0.60	0.86	4.05
	1.65	0.60	0.86	4.05
<b>Decrease / (Increase) of Inventories</b>	<b>(33.88)</b>	<b>(1.05)</b>	<b>0.26</b>	<b>3.19</b>



**Annexure O**
**Statement of Finance Cost, as Restated**

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Interest on borrowings	-	-	-	-
Bank Charges	0.10	0.05	0.05	0.40
Other Interest	-	-	-	-
Processing fees	-	-	-	-
<b>Total</b>	<b>0.10</b>	<b>0.05</b>	<b>0.05</b>	<b>0.40</b>

**Annexure P**
**Statement of Employee Benefit & Other Expenses, as Restated**

(Rs. In Lacs)

Particulars	Proprietorship			
	For the year ended on			
	28.02.2023	31.03.2022	31.03.2021	31.03.2020
Salaries, Job Work and wages	23.55	28.75	46.90	57.46
Freight, Cartage & Transport Charges	1.21	0.47	0.90	2.93
Warehouse Rent and office expenses	3.20	4.20	2.34	10.30
Scrap & Wastages	0.11	0.31	-	0.45
Consumable	0.08	0.19	0.14	1.80
Audit Fees & professional	0.20	0.09	0.23	0.61
Commission and Brokerage	0.22	0.14	0.28	-
Discount	1.21	-	-	-
Loss on Disposal of Assets	7.49	-	-	-
Electricity Expenses	0.34	0.32	0.27	0.29
Interest & late fees on Statutory and other dues	-	-	0.32	0.39
Printing & Stationary	0.02	0.05	-	0.03
Postage & Courier Charges	0.03	0.02	-	0.01
Repair & Maintenance	0.05	0.06	-	0.09
Telephone & Mobile Exp	0.11	0.08	-	-
<b>Total</b>	<b>37.81</b>	<b>34.68</b>	<b>51.39</b>	<b>74.43</b>

**ANNEXURE - IV**
**STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES & NOTES TO RESTATED FINANCIAL STATEMENTS**
**A. BACKGROUND**

Our Company was originally incorporated as a Limited Company under the name "Davin Sons Retail Limited" on February 8, 2022 under the provisions of the Companies Act, 2013 with the Registrar of Companies, Delhi, bearing CIN U14101DL2022PLC393510. Later, on March 02, 2023, our Company took over the business of proprietorship concern of the promoter Mohit Arora, namely Jesus Shirt along with the assets and liabilities of the proprietorship concern as going concern which was engaged in the business of garments.

B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Restated Statement of Assets and Liabilities of the Proprietorship concern as on February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 and the Restated Statement of Profit and Loss and Restated Statements of Cash Flows for February 28, 2023, March 31, 2022, March 31, 2021 & March 31, 2020 and the annexure thereto (collectively, the "Restated Financial Statements") have been extracted by the management from the Audited Financial Statements of the Proprietorship concern

The Financial Statements have been prepared on a going concern basis, in as much as the management neither intends to liquidate the company nor to cease operations. Accordingly, assets, liabilities, income and expenses are recorded on a Going Concern basis. Based on the nature of products and services, and the time between the acquisition of assets and realization in cash or cash equivalents, the company has ascertained its operating cycle as 12 months for the purposes of current and non-current classification of assets and liabilities

2. USE OF ESTIMATES

The preparation of financial statements required the management to make estimates and assumptions that affect the reported balance of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

3. PROPERTY, PLANT AND EQUIPMENTS

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use. Fixed assets have been recorded in the books at WDV as per Income tax Act, 1961 as applicable to firm as on the date of conversion

4. INVESTMENTS

The investment includes investment made by proprietorship concern in shares of various listed companies and recorded at acquisition cost in the financial statement.

5. INVENTORIES

- i) Raw Material and Finished Goods are valued at lower of Cost or net realizable value.
- ii) Work in Progress at various level is valued at lower of cost or net realizable value. The Management estimates the work in progress according to stage of completion. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

6. BORROWING COST

There is no borrowing cost incurred during the given period.

7. REVENUE RECOGNITION

- i) Revenue is recognized to the extent that is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

ii) Revenue from sale of goods is recognized when the significant risk and rewards are transferred as per the terms of sale. Revenues are recorded at invoice value.

#### 8. CONTINGENT LIABILIRIES AND PROVISION

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### 9. CASH FLOW

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### C. CHANGES IN ACCOUNTING POLICIES IN THE YEARS COVERED IN THE RESTATED FINANCIALS

There was no change in accounting policies, which needs to be adjusted in the Restated Financial Statement

#### D. NOTES ON RESTATEMENTS MADEIN THE RESTATED FINANCIALS

- 1. The financial statements including other 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. The management of Company 'does not anticipate any contingent liability having material effect on the position stated in the balance sheet at the year. To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance sheet date that requires adjustment to the Assets or Liabilities of the Company.

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3. In the opinion of the board and as certified by the management, all expenses charged to revenue and cash transaction entered into are genuine and have been solely and exclusively incurred for the business of the Company.
4. In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
5. Some of Trade Receivables, Trade Payables, Loans and advances and other current and non-current are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of accounts in the year of such adjustment.
6. Contractual liabilities: All other contractual liabilities connected with business operations of the Company have been appropriately provided for.
7. Amounts in the financial statements: Amounts in the financial statements are reported in Indian Rupees in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

**Business Overview**

*Updation of third para as follows:*

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora "Jesus Shirts" which was in the business of manufacturing of readymade garments through job work basis. Later, on 01st August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non Alcoholic Energy Drinks, Chips etc.

*Updation of First para as follows:*

Our Company has two business verticals:

1. Manufacturing of readymade Garments through job work basis;
2. Distribution of FMCG products.

*Updation of following on page 164 of Draft Prospectus:*

**SUMMARY OF MAJOR ITEMS OF INCOME AND EXPENDITURE**

**Revenues:**

**Income from operations:**

Our principal component of revenue from operations. Revenue from operations comprised sale of FMCG products such as Non-Alcoholic Energy Drinks, Biscuits, chips etc. and sale of garments including Men's jacket, Men's Shirts, Men's Jeans. The Company's total income which includes Revenue from operations during the period ended on November 30, 2023 was Rs. 1,090.75 Lakhs.

**Other Income:**

Our other income mainly includes Incentives and Interest income, however, during the period ended 30<sup>th</sup> November, 2023, there has been no other income.

<b>(Rs. In Lakhs)</b>	
<b>Particulars</b>	<b>For the period ended 30<sup>th</sup> November, 2023</b>
<b>Income</b>	
Revenue from Operations	1,090.75
As a % of Total Revenue	100.00%
Other Income	-
As a % of Total Revenue	-
<b>Total Revenue</b>	<b>1,090.75</b>

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**Expenditure:**

Our total expenditure primarily consists of Cost of material, Employee benefit expenses, Operating and Other Expenses, finance cost, depreciation.

**Purchase of Material**

Our purchases include purchase of material for manufacturing of Garments through job worker basis including fabrics, buttons, patterns etc. It also includes purchase of FMCG goods distributed by our Company. During the period ended 30<sup>th</sup> November, 2023, our total purchases were Rs. 808.73 Lakhs constituted 74.14% of revenue from operations.

**Change in inventories of finished goods, work in progress and cost-in-trade**

Change in inventories of finished goods, work in progress and stock in trade comprises of increase/ (decrease) in stock of finished goods.

**Employee benefits expense**

Our employee benefits expense primarily comprise of salaries and wages expenses, Directors remunerations, staff welfare expenses and Employers Contribution to ESI and PF.

**Depreciation & Amortization Expenses**

Depreciation and amortization expenses primarily include depreciation expenses on our tangible assets such as Equipments, electrical & fitting, furniture & fixture, computer, office equipment, and air conditioner.

**Finance Cost**

Finance cost includes bank charges.

**Other Expenses**

Other expenses include the following:

- Job work expenses, packing expenses;
- Marketing expenses, office rent;
- General expenses like insurance, Audit and professional fees etc.
- Administrative and other expenses such as Telephone, traveling, conveyance expenses, etc.

**Revenue from operations on page no 166 of Draft prospectus**

*Updation of following para*

During the period, the net revenue from operation of our Company was Rs. 383.14 Lakhs. The main contribution to the revenue from operations is the manufacturing of readymade garments through job work basis and sale of FMCG products.

Insert of following on page 164 of Draft Prospectus:

**REASON FOR INCREASE IN REVENUE DURING EIGHT MONTHS ENDED 30<sup>TH</sup> NOVEMBER, 2023**

This is to submit that the increase in revenue of our Company has been purely on account of surge in demand of garments domestical post covid-19. Our revenue has been increased on account of following reasons:

1. **Surge in Domestic demand:** Our Company acquired the running garment business of our Promoter' 11 years old proprietary firm being an old player in the market with good relations with its clients. Post release of Covid 19 restrictions, there has been surge in demand of garment business and due to this, during FY 2022-23, our revenue from garment was to Rs. 206.29 Lakhs. Apart from increase in demand of garment business during the FY 2022-23, we also started distribution of FMCG products for large FMCG Companies in the month of August, 2022 for selling of FMCG products such as PARLE biscuits, Energy Drinks, Chips, Chocolates, Toffee, Cooking Oil etc, and our revenue from FMCG for the eight months was Rs. 309.58 Lakhs.

During the eight months ended 30th November, 2023, in view of increasing domestic demand, we started catering to new clients with their customised demands such as trendy garments for which we got an advantage of old trusted name in the market and engagement of new agents & distributors and accordingly, our revenue from garment business increased to Rs. 580.33 Lakhs in the first eight months from Rs. 206.29 Lakhs and our revenue from FMCG increased to Rs. 510.42 Lakhs from Rs. 309.58 lakhs (8 months revenue of FY 2022-23).

2. **Geographical Expansion:** During the eight months, we strategically increased our customers base in high populated states having high population and consumption, where it was easy to sell our products because of high demand in both garments and FMCG products.

During the financial year FY 2022-23, we were selling our products in seven states namely, Delhi, Haryana, Punjab, West Bengal, Uttar Pradesh, Rajasthan and Arunachal Pradesh. However, during the eight months ended 30<sup>th</sup> November, 2023, we increased our sales in existing states through existing and new clients and also established footprints in new states having high consumption demand.

Following are the revenue details from various states during FY 2022-23 and eight months ended 30<sup>th</sup> November, 2023:

State	Amount in Rs. Lakhs		
	Revenue during FY 2022-23	Revenue during eight months ended 30 <sup>th</sup> November, 2023	Net increment in eight Months
	Amount	Amount	Amount
Delhi	244.38	333.85	89.47
Haryana	194.74	567.37	372.63
Punjab	56.18	29.59	(26.59)
West Bengal	2.13	-	(2.13)
Uttar Pradesh	16.11	119.53	103.42
Rajasthan	0.33	0.24	(0.09)
Arunachal Pradesh	1.99	19.53	17.54
Chhattisgarh	-	1.33	1.33
Bihar	-	17.34	17.34

**Davin Sons Retail Limited**

State	Revenue during FY 2022-23	Revenue during eight months ended 30 <sup>th</sup> November, 2023	Net increment in eight Months
	Amount	Amount	Amount
Gujarat	-	1.99	1.99
<b>Total</b>	<b>515.86</b>	<b>1090.75</b>	<b>574.91</b>

As stated above, revenue of our Company has increased mostly in every state through existing and new customers. Our revenue in Delhi, Haryana and Uttar Pradesh have increased by Rs. 89.47 Lakhs, Rs. 372.63 Lakhs and Rs. 103.42 Lakhs respectively. This is purely on account of increase in sales among existing consumers and by addition new consumers specially Haryana and Uttar Pradesh being high populated consumption states.

Further, as stated on page no. 111 of the Draft Prospectus, Our company intends to establish its more footprints in high populated states to expand our geographical reach and enter the large domestic market for growth opportunities of our business by setting up a warehouse in large populated states where we can reach to large no of consumers. Our Company has already entered into a MOU dated 7<sup>th</sup> December, 2023 to acquire a Land situated at Neemrana, Rajasthan. By setting up a warehouse at Rajasthan, our Company can target large number of consumers at such big populated states and near states like Uttar Pradesh and Madhya Pradesh.



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OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Insert of following on page 173 of Draft Prospectus:*

Sl No.	Defective Notice / Issue Letter/Proceedings	Return Acknowledgement/Documents Identification No.	Assessment Year	Status
<b>Davinder Arora</b>				
1.	Adjustment U/s 143(1)(a)	EFL/2122/G22/ITR000240585037	Issued on: 31.05.2022	Pending

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GOVERNMENT & OTHER STATUTORY APPROVALS

Updation of following on page 178 of Draft Prospectus:

**WEBSITES**

**Expiry Date-** 9<sup>th</sup> February, 2025

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**OTHER REGULATORY AND STATUTORY DISCLOSURES**

*Updation of following on page 182 of Draft Prospectus:*

**DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS NAVIGANT CORPORATE ADVISORS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE LEAD MERCHANT BANKER FIRST OVERSEAS CAPITAL LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, FIRST OVERSEAS CAPITAL LIMITED AND NAVIGANT CORPORATE ADVISORS LIMITED HAVE 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 DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

*Delete of following from page 186 of Draft prospectus:*

**PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGERS**

For details regarding the price information and track record of the past issues handled by First Overseas Capital Limited, please refer "Annexure -A" to this Draft Prospectus and the website of lead Manager at [www.focl.in](http://www.focl.in).

**TRACK RECORD OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL 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.focl.in](http://www.focl.in).

**ISSUE STRUCTURE**
*Updation of following on page 195 of Draft Prospectus:*
**ISSUE STRUCTURE**

Initial Public Issue of upto 15,99,000 Equity Shares for cash at a price of Rs. 50 per Equity Share (including a Share Premium of Rs. 40 per Equity Share), aggregating up to Rs. 799.50 Lakhs by our Company.

The Issue comprises a reservation of upto 81,000 Equity Shares of face value of Rs.10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto 15,18,000 Equity Shares of face value of Rs.10/- each (“the Net Issue”). The Issue and the Net Issue will constitute 30.37% and 28.83%, respectively of the post issue paid-up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

<b>Particulars</b>	<b>Net Issue to Public</b>	<b>Market Maker Reservation Portion</b>
Number of Equity Shares available for allocation <sup>(1)</sup>	Upto 15,18,000 Equity Shares	Upto 81,000 Equity Shares
Percentage of Issue Size available for Allocation	94.93% of the Issue Size	5.07 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each <sup>(1)</sup>  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialised form	
Minimum Application Size	<b>For Other than Retail Individual Investors:</b>  Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000.  <b>For Retail Individuals Investors:</b>  Such number of Equity Shares in multiples of 3,000 Equity Shares such that the Application Value does not exceed Rs. 2,00,000.	Upto 81,000 Equity Shares
Maximum Application Size	<b>For Other than Retail Individual Investors:</b>  The maximum application size is the Net issue to public subject to limits the	Upto 81,000 Equity Shares

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Particulars	Net Issue to Public	Market Maker Reservation Portion
	<p>investor has to adhere under the relevant laws and regulations applicable.</p> <p><b>For Retail Individuals Investors:</b></p> <p>Such number of Equity Shares in multiples of 3,000 Equity Shares such that the application value does not exceed Rs.2,00,000.</p>	
Trading Lot	3,000 Equity Shares	[3,000 Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations.
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	3,000 Equity Share and in multiples of 3,000 Equity Shares thereafter.	

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MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*Insertion of Following on page 267 of Draft Prospectus:*

Auditors Report dated 6<sup>th</sup> February, 2024 on the Financial Information of M/s. Jesus Shirts (Proprietorship).

**DECLARATION**

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, 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 Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Prospectus are true and correct.

**SIGNED BY THE DIRECTORS OF OUR COMPANY**

Sd/- <b>Mr. Mohit Arora</b> Chairman & Managing Director DIN: 07231072	Sd/- <b>Mr. Nohit Arora</b> Whole Time Director DIN: 09424503
Sd/- <b>Mrs. Sonam Arora</b> Non - Executive Director DIN: 10163260	Sd/- <b>Ms. Sapna</b> Non-Executive Independent Director DIN: 10294154
Sd/- <b>Ms. Saloni Mehra</b> Non-Executive Independent Director DIN: 10062907	

**SIGNED BY THE CFO AND CS OF OUR COMPANY**

Sd/- <b>Mr. Chander Parkash</b> Chief Financial Officer	Sd/- <b>Ms. Kavita Wadhwa</b> Company Secretary and Compliance Officer
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**Date:** 3<sup>rd</sup> April, 2024

**Place:** Delhi



(Please scan this QR Code to view the Draft Prospectus)

**DRAFT PROSPECTUS**  
**100% Fixed Price Issue**  
Please read Section 26 and 32 of the Companies Act, 2013  
Dated: 27<sup>th</sup> December, 2023



## DAVIN SONS RETAIL LIMITED

(CIN- U14101DL2022PLC393510)

REGISTERED OFFICE		CORPORATE OFFICE		CONTACT PERSON	
609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi -110034		N.A.		Ms. Kavita Wadhwa, Company Secretary & Compliance Officer	
TELEPHONE		WEBSITE		E-Mail ID	
+ 91-11- 49092127		<a href="http://www.davinsonsretail.com">www.davinsonsretail.com</a>		<a href="mailto:info@davinsonsretail.com">info@davinsonsretail.com</a>	
NAME OF PROMOTERS OF THE COMPANY					
MR. MOHIT ARORA AND MR. NOHIT ARORA					
THE ISSUE					
TYPE	FRESH ISSUE SIZE (IN RS. LAKHS)	OFS SIZE (BY NO. OF SHARES OR BY AMOUNT IN Rs.)	TOTAL ISSUE SIZE (IN RS. LAKHS)	ELIGIBILITY 229(1)/ 229(2) & SHARE RESERVATION AMONG NII & RII	
Fresh Issue	15,99,000 Equity Shares at the Issue Price of Rs. [●] each aggregating Rs. [●] Lakhs	Nil	15,99,000 Equity Shares at the Issue Price of Rs. [●] each aggregating Rs. [●] Lakhs	The Issue is being made pursuant to Regulation 229 (1) of SEBI (ICDR) Regulations as the Company's post issue paid-up capital is less than Rs. 10.00 Cr. For details in relation to share reservation among NIIs and RIIs, see "Issue Structure" on page 195 of this Draft Prospectus.	
DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES					
RISKS IN RELATION TO THE FIRST ISSUE					
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 83 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL 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 Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of this Draft Prospectus. <b>Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 28 of this Draft Prospectus.</b>					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of 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 of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") ("BSE SME"). Our Company has received an In Principle approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").					
LEAD MANAGERS TO THE ISSUE					
Name and Logo		Contact Person		Email & Telephone	
 <b>Navigant</b> Reinventing Business <b>NAVIGANT CORPORATE ADVISORS LIMITED</b>		Mr. Sarthak Vijlani		Email: <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> Tel No. +91-22-41204837	
 <b>FIRST OVERSEAS CAPITAL LIMITED</b>		Ms. Mala Soneji / Mr. Rushabh Shroff		E-mail id: <a href="mailto:mb@focl.in">mb@focl.in</a> Tel. No.: +91 22 4050 9999	
REGISTRAR TO THE ISSUE					
Name and Logo		Contact Person		Email & Telephone	
 <b>KFINTECH</b> EXPERIENCE TRANSFORMATION <b>KFIN TECHNOLOGIES LIMITED</b>		Contact Person: M Murali Krishna		E-mail Id: <a href="mailto:dslr.ipo@kfintech.com">dslr.ipo@kfintech.com</a> Tel No: +91 40 6716 2222	
ISSUE PROGRAMME					
ISSUE OPENS ON: [●]			ISSUE CLOSES ON: [●]		





(Please scan this QR Code to view the Draft Prospectus)

**DRAFT PROSPECTUS**

**100% Fixed Price Issue**

Please read Section 26 and 32 of the Companies Act, 2013

Dated: 27<sup>th</sup> December, 2023



## DAVIN SONS RETAIL LIMITED

(CIN- U14101DL2022PLC393510)

Our Company was incorporated as 'Davin Sons Retail Limited' under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated 8<sup>th</sup> February, 2022, issued by the ROC, Central Registration Centre, Ministry of Corporate Affairs. Later, on 2<sup>nd</sup> March, 2023, the running business of the proprietorship concern of our Promoter namely "JESUS SHIRTS" was taken-over by the Company, along with the Assets and Liabilities of the proprietorship concern as going concern. For further details please refer to chapter titled "History and Corporate Structure" beginning on page 132 of this Draft Prospectus.



**Registered Office:** 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi - 110034

**Contact Person:** Ms. Kavita Wadhwa, Company Secretary & Compliance Officer

**Tel No:** + 91-11-49092127; **E-mail:** [info@davinson retail.com](mailto:info@davinson retail.com) ; **Website:** [www.davinson retail.com](http://www.davinson retail.com)

**PROMOTERS OF OUR COMPANY: MR. MOHIT ARORA AND MR. NOHIT ARORA**

THE ISSUE
<p><b>INITIAL PUBLIC OFFER OF UPTO 15,99,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF DAVIN SONS RETAIL LIMITED ("COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] LAKHS ("THE ISSUE") OF WHICH UPTO 81,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION LE NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT A PRICE OF RS. [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE UPTO 30.37% AND 28.83% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</b></p>
<p><b>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 ("SEBI (ICDR) REGULATIONS"), AS AMENDED. IN TERMS OF RULE 19(2)(b) 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. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER "ISSUE PROCEDURE" ON PAGE 198 OF THE DRAFT PROSPECTUS.</b> All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. For details in this regard, specific attention is invited to "Issue Procedure" on page 198 of this Draft Prospectus. A copy of Prospectus will be filled with the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.</p>
<p><b>THE FACE VALUE OF THE EQUITY SHARE IS RS. 10/- EACH AND THE ISSUE PRICE IS RS. [●]/- EACH i.e., [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS [●] EQUITY SHARES</b></p>
ELIGIBLE INVESTORS
<p>For details in relation to Eligible Investors, please refer to section titled "Issue Procedure" beginning on page 198 of this Draft Prospectus.</p>
RISK IN RELATION TO THE FIRST ISSUE
<p>This being the first public issue of our Company, there has been no formal market for our Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 and the issue price of Rs. [●] per Equity Share is [●] times of face value. The issue price (as determined by our Company in consultation with the Lead Manager and as stated in the chapter titled on "Basis for Issue Price" beginning on page 83 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the equity shares will be traded after listing.</p>
GENERAL RISKS
<p>Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 28 of this Draft Prospectus.</p>
ISSUER'S ABSOLUTE RESPONSIBILITY
<p>The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of 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.</p>
LISTING
<p>The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME Platform of BSE Limited ("BSE") ("BSE SME"). Our Company has received an In Principle approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").</p>

LEAD MANAGERS TO THE ISSUE	REGISTRAR TO THE ISSUE
	
<p><b>NAVIGANT CORPORATE ADVISORS LIMITED</b> 804, Meadows, Bonanza, Sahar Plaza Complex, J B Nagar, Andheri Kurla Road, Andheri East, Mumbai-400 059 <b>Tel No.</b> +91-22-41204837 <b>Email Id-</b> <a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a> <b>Website:</b> <a href="http://www.navigantcorp.com">www.navigantcorp.com</a> <b>SEBI Registration Number:</b> INM000012243 <b>Contact Person:</b> Mr. Sarthak Vijlani</p>	<p><b>FIRST OVERSEAS CAPITAL LIMITED</b> 1-2 Bhupen Chambers, Dalal Street, Fountain, Mumbai-400 001, Maharashtra, India <b>Tel. No.:</b> +91 22 4050 9999 <b>Email:</b> <a href="mailto:mb@focl.in">mb@focl.in</a> <b>Investor Grievance Email:</b> <a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a> <b>Website:</b> <a href="http://www.focl.in">www.focl.in</a> <b>SEBI Registration Number:</b> INM000003671 <b>Contact Person:</b> Ms. Mala Soneji / Mr. Rushabh Shroff</p>
<p><b>KFIN TECHNOLOGIES LIMITED</b> Selenium Tower-B, Plot 31 &amp; 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana <b>Tel No:</b> +91 40 6716 2222 <b>Fax No:</b> +91 40 2343 1551 <b>E-mail Id:</b> <a href="mailto:dsrl.ipo@kfintech.com">dsrl.ipo@kfintech.com</a> <b>Website:</b> <a href="http://www.kfintech.com">www.kfintech.com</a> <b>SEBI Registration No:</b> INR000000221 <b>Contact Person:</b> M Murali Krishna</p>	

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

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**SECTION I - GENERAL**
**DEFINITIONS 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 deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such 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, the Companies Act, 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 Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” on page 89, 158, 171, 123 and 223 respectively of this Draft Prospectus, shall have the meanings ascribed to such terms in the respective sections.

**GENERAL TERMS**

<b>Term</b>	<b>Description</b>
Davinsons / The Company / Our Company / The Issuer / Davin Sons Retail Limited	Davin Sons Retail Limited, a Company incorporated under the Companies Act, 2013 having its registered office at 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi -110034.
We / us / our	Unless the context otherwise indicates or implies, refers to our Company
you / your / yours	Prospective Investors in this Issue

**COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AoA / Articles / Articles of Association	The Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit Committee of our Company in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 136 of this Draft Prospectus.
Auditors / Statutory Auditors	The Statutory Auditors of our Company, currently being M/s. Sharma Sharma & Co., Chartered Accountants, having their office at 211, Priyanka Tower, Near Fund Cinema, Moti Nagar, Metro Pillar-322, Delhi-110015.
Bankers to our Company	ICICI Bank Limited.
Board of Directors / Board / Directors (s)	The Board of Directors of Davin Sons Retail Limited, including all duly constituted Committees thereof as the context may refer to.
Chairman / Chairperson	The Chairman / Chairperson of Board of Directors of our Company being Mr. Mohit Arora.
Chief Financial Officer / CFO	The Chief Financial Officer of our Company is Mr. Chander Parkash.
Company Secretary and Compliance Officer	The Company Secretary and Compliance officer of our Company is Ms. Kavita Wadhwa.

**Davin Sons Retail Limited – Draft Prospectus**

<b>Term</b>	<b>Description</b>
Corporate Identification Number / CIN	U14101DL2022PLC393510
Equity Shares	Equity Shares of our Company of Face Value of Rs.10/- each fully paid-up
Equity Shareholders / Shareholders	Persons / entities holding Equity Share of our Company
Executive Directors	Executive Directors are the Managing Director & Whole Time Directors of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term “ <i>Group Companies</i> ” includes companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 155 of this Draft Prospectus.
Independent Director(s)	Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 136 of this Draft Prospectus.
ISIN	International Securities Identification Number. In this case being INE0Q2L01013.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 136 of this Draft Prospectus.
Materiality Policy	The policy adopted by our Board on 30 <sup>th</sup> June, 2023 for identification of Group Companies, material outstanding litigation and outstanding dues to material creditors, in accordance with the disclosure requirements under the SEBI ICDR Regulations.
Managing Director	The Managing Director of our Company being Mr. Mohit Arora.
MOA / Memorandum / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	The Nomination and Remuneration Committee of our Company, constituted in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 136 of this Draft Prospectus.
Non-Executive Director	A Director not being an Executive Director or is an Independent Director.
Peer Review Auditors	M/s. Sharma Sharma & Co., Chartered Accountants, having their office at 211, Priyanka Tower, Near Fund Cinema, Moti Nagar, Metro Pillar-322, Delhi-110015.
Promoter(s)	The Promoter(s) of our Company are Mr. Mohit Arora and Mr. Nohit Arora.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI ICDR Regulations as disclosed in the Chapter titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 150 of this Draft Prospectus
Registered Office	The Registered Office of our Company situated at 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi - 110034.
Registrar of Companies / RoC	Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019.
Restated Financial Statements	Restated Financial Statements of our Company as at and for the Financial Years ended on 2023 and 2022 and for the eight months ended 30 <sup>th</sup> November, 2023 (prepared in accordance with the Indian GAAP read with Section 133 of the

Term	Description
	Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations) which comprises the restated summary Statement of Assets & Liabilities, the restated summary Statement of Profit and Loss and restated summary Statement of Cash Flows along with all the schedules and notes thereto as disclosed in chapter titled “Restated Financial Statements” on page 158 of this Draft Prospectus.
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Company, constituted in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “Our Management” beginning on page 136 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 slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot / Allotment / Allotted / Allotment of Equity shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allotment Date	Date on which the Allotment is made
Allottees	The successful applicant to whom the Equity Shares are being / have been allotted
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the 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 prospective investors shall apply for Equity Shares of our Company in terms of this Draft Prospectus
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Banker(s) to our Company in the chapter titled “General Information” beginning on page 50 of this Draft Prospectus.

<b>Term</b>	<b>Description</b>
Banker(s) to the Issue	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being [●]
Banker(s) to the Issue and Sponsor Bank Agreement	Agreement dated [●], entered into between our Company, Lead Managers, the Registrar to the Issue, Banker to the Issue and 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 and which is described in the chapter titled “Issue Procedure” beginning on page 198 of this Draft Prospectus.
Broker Centres	Broker Centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange.
BSE SME	SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations
CAN / Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 2018, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches	Such branches of the SCSBs which coordinate with the Lead Manage, the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Collection Centres	Centres at which the Designated intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable)
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.

<b>Term</b>	<b>Description</b>
Designated Intermediaries / Collecting Agent	<p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p> <p>In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.</p>
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 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 Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	BSE Limited
Draft Prospectus	This Draft Prospectus issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue, including any addenda or corrigenda thereto
Eligible NRI(s)	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
First Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint applications, whose name shall also appear as the first holder of the beneficiary account held in joint names
Foreign Institutional Investors/ FII	Foreign Institutional Investor (as defined under SEBI FII Regulations) registered with SEBI under applicable laws in India

<b>Term</b>	<b>Description</b>
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
General Information Document or GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019, circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LMs.
Issue	The Initial Public Issue of upto 15,99,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. [●] per Equity shares (including premium of Rs. [●] per Equity Share) aggregating to Rs. [●] Lakhs.
Issue Agreement	The agreement dated 21 <sup>st</sup> July, 2023, entered amongst our Company and the Lead Managers, 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 being [●]
Issue Opening date	The date on which the Issue opens for subscription being [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their applications 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 Managers, 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	Rs. [●] per Equity Share (Including Premium of Rs. [●] per share)
Issue Proceeds	The gross proceeds of the Issue which shall be available to our Company, based on the total number of Equity Shares Allotted at the Issue Price. For further information about use of the Issue Proceeds, see “ <i>Objects of the Issue</i> ” beginning on page 74 of this Draft Prospectus.
LMs / Lead Manager	Lead Managers to the Issue, in this case being First Overseas Capital Limited and Navigant Corporate Advisors Limited
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and SME Platform of BSE Limited (“ <b>BSE SME</b> ”).
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker Reservation Portion	The Reserved portion of upto 81,000 Equity shares of Rs.10/- each at an Issue Price of Rs. [●] aggregating to Rs. [●] Lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Managers and our Company dated [●]



<b>Term</b>	<b>Description</b>
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism. The mobile applications which may be used by RIIs to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of upto 15,18,000 Equity Shares of face value Rs. 10.00/- each fully paid-up of our Company for cash at a price of Rs. [●] per Equity Share aggregating up to Rs. [●] Lakhs.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details regarding the use of the Net Proceeds and the Issue expenses, see "Objects of the Issue" beginning on page 74 of this Draft Prospectus.
Non - Institutional Investor	All Investors including FPIs that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for a cumulative amount more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs).
Non-Resident / NR	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI.
OCB / Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue. (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 the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue.)
Person / Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with Bankers to the Issue under section 40(3) of the Companies Act, 2013 for the purpose of transfer of monies from the SCsBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Refund Account	The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made. Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable

<b>Term</b>	<b>Description</b>
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI
Registrar / Registrar to the Issue	Registrar to the Issue being KFin Technologies Limited.
Registrar Agreement	The agreement dated 7 <sup>th</sup> July, 2023 among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Retail Individual Investors / RIIs	Individual Applicants or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than Rs.2,00,000 in this Issue.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise their Application during the Issue Period or withdraw their Applications until Issue Closing Date
Self-Certified Syndicate Bank(s) / SCSBs	The banks registered with SEBI, offering services, in relation to ASBA where the Application Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or such other website as updated from time to time, and in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time. 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 ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Specified Locations	Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LMs to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●]
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations

<b>Term</b>	<b>Description</b>
TRS / Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application
Underwriters	The Underwriters in this case are [●].
Underwriting Agreement	The Agreement among the Underwriters and our Company dated [●].
Unified Payments Interface / UPI	The instant payment system developed by the National Payments Corporation of India
UPI Circulars	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01,2018 read with 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/DCR2/CIR/P/2019/133 dated November 08, 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/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment. 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 ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmid=43</a> ) respectively, as updated from time to time.
UPI mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended

<b>Term</b>	<b>Description</b>
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Offer Period, “Working Day” shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.

### INDUSTRY RELATED TERMS

<b>Term</b>	<b>Description</b>
BSM	Buyer-Seller Meet
B2B	Business-to-Business
B2C	Business-to-Consumer
CAD	Computer-Aided Design
CAM	Computer-aided manufacturing
CII	Confederation of Indian Industries
COCP	Cotton Production and Consumption
COEK	Center of Excellence for Khadi
ERP	Enterprise resource planning
FMCG	Fast-moving consumer goods
HMA	Handloom Marketing Assistance
ICAC	International Cotton Advisory Committee
ICIL	Indo Count Industries Ltd
IMF	International Monetary Fund
KGS	Kilograms
KVIC	Khadi and Village Industries Commission
MMF	Man-Made Fabrics
MT	Million Tonnes
NOS	Numbers
NIFT	National Institute of Fashion Technology
PICS	Pieces
Sq. Mtrs	Square Meters
SUSTEX	Sustainable Textiles for Sustainable Development
WEO	World Economic Outlook

### EXPLANATION FOR KPI METRICS

<b>Term</b>	<b>Description</b>
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total income	Total income is used by the management to track revenue from operations and other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.

<b>Term</b>	<b>Description</b>
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

### CONVENTIONAL TERMS / ABBREVIATIONS

<b>Term</b>	<b>Description</b>
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the 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
Banking Regulation Act	Banking Regulation Act, 1949
BN	Billion
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016, as amended
Category I Foreign Portfolio Investor(s) / Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II Foreign Portfolio Investor(s) / Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s) / Category III FPIs	FPIs who are registered as "Category III Foreign Portfolio Investors" under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CFPI	Consumer Food Price Index
CFO	Chief Financial Officer
CGST Act	Central Goods and Services Tax Act, 2017
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant's beneficiary account

<b>Term</b>	<b>Description</b>
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification
Companies Act, 1956	The Companies Act, 1956, as amended from time to time
Companies Act, 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date
CSR	Corporate Social Responsibility
CST	Central Sales Tax
COVID - 19	A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
CPI	Consumer Price Index
CY	Calendar Year
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, CDSL and NSDL
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India
Depositories Act	Depositories Act, 2018
DIN	Director Identification Number
DP	Depository Participant, as defined under the Depositories Act 2018
DP ID	Depository Participant's identification
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EoGM	Extra-ordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
EPFO	Employees' Provident Fund Organization
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
FCNR Account	Foreign Currency Non-Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FTP	Foreign Trade Policy
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product

<b>Term</b>	<b>Description</b>
GoI / Government	Government of India
GST	Goods & Services Tax
HNI	High Net worth Individuals
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IGST Act	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015
IPO	Initial Public Offering
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISO	International Organization for Standardization
IST	Indian Standard Time
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
Ltd	Limited
MCA	Ministry of Corporate Affairs, Government of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MoF	Ministry of Finance, Government of India
MICR	Magnetic Ink Character Recognition
MOU	Memorandum of Understanding
NA / N. A.	Not Applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NECS	National Electronic Clearing Service
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OPC	One Person Company as defined under section 2(62) of The Companies Act, 2013
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PLR	Prime Lending Rate
PMI	Purchasing Managers' Index
PPP	Purchasing power parity

<b>Term</b>	<b>Description</b>
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
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, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI MB Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI PIT Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST Act	State Goods and Services Tax Act, 2017
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
UGST Act	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the United States of America
VAT	Value Added Tax
VC	Venture Capital
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.



<b>Term</b>	<b>Description</b>
WIP	Work in process
Wilful Defaulter(s) or a Fraudulent Borrower	Wilful defaulter or a Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
WHO	World Health Organization
WEO	World Economic Outlook
YoY	Year on Year

## 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’, ‘GoI’, ‘Central Government’ or the ‘State Government’ are to the GoI, 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, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus. In this Draft Prospectus, our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

### FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Prospectus are derived from our Financial Statements. The Restated Financial Statements included in this Draft Prospectus is as at and for the Financial Years ended March 31, 2023 and March 31, 2022 and for the period ended 30<sup>th</sup> November, 2023 has been prepared in accordance with Indian GAAP and the Companies Act, and has been restated in accordance with the SEBI ICDR Regulations. For further information, see please refer section titled “*Restated Financial Statements*” beginning on page 158 of this Draft Prospectus.

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 in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the 12-month period ended on March 31 of that year. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Prospectus are to a calendar year.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the Restated Financial Statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 28, 107 and 161 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the “*Restated Financial statements*” of our Company as beginning on page 158 of this Draft Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

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

All references to the word ‘Lakh’ or ‘Lac’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten Lakhs’ 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 Restated Financial Statements in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

## **DEFINITIONS**

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Draft Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 223 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## FORWARD LOOKING STATEMENTS

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

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

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

- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further working capital requirements;
- Our ability to attract and retain personnel;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Inability to adequately protect our trademarks;
- Changes in consumer demand;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “Risk Factors” and chapter titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 28, 107, and 161 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.

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

Neither our Company, our Directors, our Promoters, the Lead Managers nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Draft Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.

## SECTION II - SUMMARY OF DRAFT OFFER DOCUMENT

### SUMMARY OF OUR BUSINESS

Our Company is led by our Promoters Mr. Mohit Arora and Mr. Nohit Arora, who are in the field of garment designing, manufacturing and trading for more than 10 years. Mr. Mohit Arora established proprietorship concern in the name and style of M/s. Jesus Shirts, in 2012 along with his brother Mr. Nohit Arora. They started off with some small & medium sized brands which could give him some consistent business and also, they can place himself in the market.

M/s. Jesus Shirts was started in 2012 as a proprietorship firm, committed to provide its customers with quality products. Davin Sons Retail Limited was incorporated in 2022 to do the business which was done in proprietary firm. Our Company strives to bring the best products to its customers by providing last mile connectivity to large consumer product Companies.

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments. Later, on 01<sup>st</sup> August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non Alcoholic Energy Drinks, Chips etc.

On 2<sup>nd</sup> March, 2023, the running business of the above proprietorship concern was acquired by our Company, along with the assets and liabilities of the proprietorship concern on going concern basis as on 28<sup>th</sup> February, 2023. Since incorporation, our promoters have been looking after the overall operations and major business decisions of the Company. With our absolute commitment to quality, meticulous attention and level of services, today we have established ourselves as a Manufacturer of Garments and distributor of FMCG products.

Our Company has two business verticals:

1. Manufacturing of readymade Garments;
2. Distribution of FMCG products.

For more details, please refer chapter titled “*Our Business*” beginning on page 107 of this Draft Prospectus.

### SUMMARY OF OUR INDUSTRY

#### TEXTILE 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, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

The decentralised power looms/ hosiery and knitting sector form the largest component of 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 a wide variety of products suitable for different market segments, both within India and across the world.

In order to attract private equity and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

## FMCG INDUSTRY IN INDIA

The FMCG sector in India expanded due to consumer-driven growth and higher product prices, especially for essential goods. FMCG sector provides employment to around 3 million people accounting for approximately 5% of the total factory employment in India. FMCG sales in the country was expected to grow 7-9% by revenues in 2022-23. The key growth drivers for the sector includes favourable Government initiatives & policies, growing rural market and youth population, new branded products, and growth of e-commerce platforms. Resilience needs to be the key factor in the manufacturing process, daily operations, retail and logistic channels, consumer insights and communication that will help FMCG companies to withstand the test of time and create more value for consumers in the long run.

Fast-moving consumer goods (FMCG) sector is India’s fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. With household and personal care accounting for 50% of FMCG sales in India, the industry is an important contributor to India’s GDP.

India is a country that no FMCG player can afford to ignore due to its middle class population which is larger than the total population of USA. The Indian FMCG market continues to rise as more people start to move up the economic ladder and the benefits of economic progress become accessible to the general public. More crucially, with a median age of just 27, India's population is becoming more consumerist due to rising ambitions. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

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.

For more details, please refer chapter titled “*Industry Overview*” beginning on page 91 of this Draft Prospectus.

## OUR PROMOTERS

The promoters of our Company are Mr. Mohit Arora and Mr. Nohit Arora.

## SIZE OF ISSUE

<b>Issue</b>	Upto 15,99,000 Equity shares of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs
<b>Of which:</b>	
<b>Market Portion</b>	Upto 81,000 Equity shares of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs
<b>Net Issue</b>	upto 15,18,000 Equity shares of Rs.10/- each for cash at a price of Rs. [●] per Equity shares aggregating to Rs. [●] Lakhs

For further details, please refer to chapter titled “*Terms of the Issue*” beginning on page 189 of this Draft Prospectus.

## OBJECTS OF THE ISSUE

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

(Rs. in Lakhs)

Sr No	Particulars	Amount*
1.	To Finance the Capital Expenditure for purchase of warehouse	136.00
2.	To part finance the requirement of Incremental Working Capital	422.00
3.	To meet General corporate purposes	[•]
4.	To meet the expenses of the Issue	[•]
	<b>Total</b>	[•]

\*Subject to finalization

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

For further details, please refer to chapter titled “Objects of the Issue” beginning on page 74 of this Draft Prospectus.

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

Set forth is the Pre-Issue shareholding of our Promoters, Promoter Group as a percentage of the paid-up share capital of the Company:

Particular	Pre-Issue	
	Number of Shares	Percentage (%) holding
<b>Promoters</b>		
Mr. Mohit Arora	19,26,126	52.53%
Mr. Nohit Arora	5,84,130	15.93%
<b>Promoter Group</b>		
Mr. Davinder Arora	4,05,432	11.06%
Mrs. Sonam Arora	19,170	0.52%
Mrs. Lalita Rani	3,90,120	10.64%
<b>Total</b>	<b>33,24,978</b>	<b>90.68%</b>

### SUMMARY OF RESTATED FINANCIAL STATEMENTS

 Following are the details as per the restated financial statements for the financial years ended on March 31, 2023 and March 31, 2022 and for the period ended 30<sup>th</sup> November, 2023:-

(Rs. in lakhs other than share data)

Particulars	30.11.2023	31.03.2023	31.03.2022
Share Capital	366.68	10.97	5.00
Total Income	1,090.75	391.33	-
Net Worth (A)	510.10	109.37	5.00
Net Profit after Tax (B)	118.66	56.62	-
No. of Shares outstanding at the end (C)	36,66,792	1,09,689	50,000
Face Value Per share	10	10	100
Adjusted Face Value Per share for ratio calculations	10	10	10
Weighted average number of shares post effect of bonus issue and subdivision of shares (D)	34,81,827	1,09,689	50,000
Earnings per Share (EPS) (B / D) (Rs.)	3.41	51.62	-
Return on Net Worth (B / A)	23.26%	51.77%	-
Net Assets Value per Share (A / D)	14.65	99.71	-



**QUALIFICATIONS OF AUDITORS**

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

**SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS**

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

<b>Name of the Cases</b>	<b>Number of cases</b>	<b>Total amount involved (Rs. in Lakhs)</b>
<b>Against our Company</b>		
Tax	Nil	Nil
Civil	Nil	Nil
Criminal	Nil	Nil
Others	Nil	Nil
<b>By our Company</b>		
Tax	Nil	Nil
Civil	Nil	Nil
Criminal	Nil	Nil
<b>Against our Promoters</b>		
Tax	-	0.82
Civil	Nil	Nil
Criminal	1	17.72
<b>By our Promoters</b>		
Tax	Nil	Nil
Civil	Nil	Nil
Criminal	1	52.00
<b>Against our directors</b>		
Tax	Nil	Nil
Civil	Nil	Nil
Criminal	Nil	Nil
<b>By our directors</b>		
Tax	Nil	Nil
Civil	Nil	Nil
Criminal	Nil	Nil

For further details, please refer chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 171 of this Draft Prospectus.

**RISK FACTORS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled “Risk Factors” beginning on Page No. 28 of this Draft Prospectus.

**SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY**

As per Restated Financial Statements, no contingent liability exists for the financial year ended on March 31, 2023 and 2022 and for the period ended 30<sup>th</sup> November, 2023.

For details, please refer to Section titled “Restated Financial Statements” beginning on page 158 of this Draft Prospectus.

**SUMMARY OF RELATED PARTY TRANSACTIONS**

(Rs. In Lakhs)

Particulars	30.11.23	31.03.23
<b>Part A : Transaction during the year/period</b>		
<b><u>Borrowings Received:</u></b>		
Devindra Arora	34.26	21.31
Mohit Arora	44.29	14.82
Nohit Arora	46.87	11.07
Sonam Arora	-	2.00
Ashray Gupta	-	31.37
Pooja Wadhwa	-	5.00
Lalita Rani	-	53.95
<b><u>Borrowings Repaid</u></b>		
Mohit Arora	1.60	5.55
Nohit Arora	-	5.58
Lalita Rani	-	0.23
<b><u>Advance Paid</u></b>		
Ruchi Arora	-	0.02
<b><u>Sales</u></b>		
A3 India Retail Private Limited	-	67.98
<b><u>Conversion from loan to equity</u></b>		
Ashray Gupta	51.37	-
Devinder Arora	55.57	-
lalita Rani	63.82	-
Mohit Arora	51.96	-
Nohit Arora	52.36	-
Pooja Wadhwa	5.00	-
Sonam Arora	2.00	-
<b><u>Payment to Key Management Personnel</u></b>		
<b><u>Remuneration to Director</u></b>		
Devindra Arora	-	4.93
Mohit Arora	7.90	4.46
Nohit Arora	-	4.99
Sonam Arora	4.60	-
<b><u>Sitting Fees</u></b>		
Renu Kaur	0.35	-
Saloni Mehra	0.35	-
<b>Particulars</b>	<b>30.11.23</b>	<b>31.03.23</b>
<b><u>Salary paid</u></b>		

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<b>Particulars</b>	<b>30.11.23</b>	<b>31.03.23</b>
Lalita Rani	6.90	4.90
Sonam Arora	-	4.29
Devinder Arora	5.43	
<b><u>Long Term Borrowings (Payable)</u></b>		
Ashray Gupta	0.00	31.37
Devinder Arora	0.00	21.31
lalita Rani	0.00	53.72
Mohit Arora	0.00	9.27
Nohit Arora	-	5.49
Pooja Wadhwa	-	5.00
Sonam Arora	-	2.00
<b><u>Sundry Debtors</u></b>		
A3 India Retail Private Limited	-	68.01
<b><u>Sundry Creditors</u></b>		
NR Trading	2.33	2.33
Ashray Gupta	-	4.68
<b><u>Sitting Fees payable</u></b>		
Renu Kaur	0.12	-
Saloni Mehra	0.12	-
<b><u>Salary payable</u></b>		
Chander Prakash	0.40	-
Kavita Wadhwa	0.40	-

*Note: The above statements should be read with the significant accounting policies and notes to restated summary, statement of assets and liabilities, profits and losses and cash flows appearing in “Annexure T - Restated Statement of Related Party Transaction” under chapter titled “Restated Financial Information” beginning on Page No. 158 of this Draft Prospectus.*

**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 OF EQUITY SHARES ACQUIRED BY OUR PROMOTERS**

The weighted average price at which Equity Shares were acquired by the Promoters in the one year preceding the date of this Draft Prospectus is as follows:

<b>S. No.</b>	<b>Name of the Promoter</b>	<b>No of Equity Shares held</b>	<b>Average cost of Acquisition (in Rs.)*</b>
1.	Mr. Mohit Arora	18,96,126	5.26
2.	Mr. Nohit Arora	5,69,130	9.20

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

*For further details, please refer to the chapter titled “Capital Structure” on page no. 61 of this Draft Prospectus.*

**AVERAGE COST OF ACQUISITION OF PROMOTERS**

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

S. No.	Name of the Promoter	No of Equity Shares held	Average cost of Acquisition (in Rs.)*
1.	Mr. Mohit Arora	19,26,126	5.33
2.	Mr. Nohit Arora	5,84,130	9.22

\*As certified by M/s. N.K. Mittal & Associates, Chartered Accountants, by way of their certificate dated 25<sup>th</sup> December, 2023.

For further details, please refer to the chapter titled “Capital Structure” on page no. 61 of this Draft Prospectus.

**DETAILS OF PRE-IPO 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**

Except as mentioned below, Our company has not issued Equity Shares for consideration other than cash in the one (1) year preceding the date of this Draft Prospectus.

Date of Allotment	Name of Allottee	Equity Shares allotted	No. of Equity Shares	Reason for allotment
31 <sup>st</sup> March, 2023	Mr. Mohit Arora	59,687	59,687	Allotment pursuant to the acquisition of M/s Jesus Shirts
23 <sup>rd</sup> May, 2023	Mr. Davinder Arora	20,000	5,48,435	Bonus in the ratio of 5:1 i.e., 5 Equity Share for every 1 Equity Shares held, Capitalisation of Reserves
	Mr. Mohit Arora	4,48,435		
	Mr. Nohit Arora	75,000		
	Mrs. Sonam Arora	2,000		
	Mrs. Lalita Rani	2,000		
	Mrs. Pooja Wadhera	500		
20 <sup>th</sup> June, 2023	Mr. Ashray Gupta	500	5,64,142	Conversion of Loan
	Mr. Davinder Arora	1,11,144		
	Mr. Mohit Arora	1,03,920		
	Mr. Nohit Arora	1,04,710		
	Mrs. Sonam Arora	3,990		
	Mrs. Lalita Rani	1,27,640		
27 <sup>th</sup> June, 2023	Mrs. Pooja Wadhera	10,000	24,44,528	Bonus in the ratio of 2:1 i.e., 2 Equity Share for every 1 Equity Shares held, Capitalisation of Reserves
	Mr. Ashray Gupta	1,02,738		
	Mr. Davinder Arora	2,70,288		
	Mr. Mohit Arora	12,84,084		
	Mr. Nohit Arora	3,89,420		
	Mrs. Sonam Arora	12,780		
Mrs. Lalita Rani	2,60,080			
Mrs. Pooja Wadhera	21,200			
Mr. Ashray Gupta	2,06,676			

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*For further details, please refer to the chapter titled “Capital Structure” on page no. 61 of this Draft Prospectus.*

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

Other than as disclosed in “Capital Structure” beginning on page 61 of this Draft Prospectus, our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

### SECTION III – RISK FACTORS

*An investment in Equity Shares involves a high 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. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face.*

*Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations.*

*To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 107, “Industry Overview” beginning on page 91 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 161 respectively, of this Draft Prospectus as well as other financial information contained herein.*

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

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

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

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

#### **INTERNAL RISK FACTORS:**

- 1. Our Company has been recently incorporated and post incorporation has acquired the running business of M/s. Jesus Shirts (Proprietorship firm of our Promoter) thus we have limited operating history as a Company which may make it difficult for investors to evaluate our historical performance or future prospects.**

Our Company was originally incorporated as a public limited Company under the Companies Act, 2013 with Registrar of Companies, Central Registration Centre through a certificate of incorporation dated 8th February, 2022. Our Company has acquired the running business of proprietorship firm of our Promoter i.e., M/s. Jesus Shirts for the expansion of the business of our Company. We have very limited operating history as a Company

from which one can evaluate our business, future prospects and viability. Our future revenues and profitability are difficult to estimate and could fluctuate significantly and as a result the price of our Equity Shares may remain volatile. Although the proprietorship concern has established business in past years, and we will continue to undertake all possible steps towards our growth path, but there is no assurance that this growth will be met successfully in future. In case we are unable to meet the desired growth in revenues and profitability, our results of operations and financial condition will be adversely affected.

Further, our growth exposes us to a wide range of increased risks. It will also place significant demands on our management, financial and other resources and will require us to continuously develop and improve our operational, financial and internal controls. There can be no assurance that we will be able to successfully pursue our growth strategies, or that pursuing these strategies will provide us the anticipated benefits. Any inability to pursue our growth strategies successfully or at all, or an inability to manage our growth, may adversely affect our prospects.

For further details, see the chapter titled “History and Corporate Structure” and “Restated Financial Statements” on page 132 and 158 respectively of the Draft Prospectus.

**2. There are outstanding litigation proceedings involving our Company, our Promoters and/ or our Directors, an adverse outcome in which, may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.**

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

Nature of Case	Number of cases	Amount involved (Rs. in Lakhs)
<b>Against our promoter</b>		
Criminal Case	1	17.72
Income tax Demand	-	0.82
<b>By our Promoters</b>		
Criminal Case	1	52.00
<b>By our directors (other than promoters)</b>	-	-

For further details of litigation proceedings, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 171 of this Draft Prospectus.

**3. The Registered Office and warehouses of Our Company are not owned by us.**

We operate from our registered office situated at 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi -110034. The same has been taken on lease from Mr. Manoj Sharma and Mrs. Reeta Bhardwaj to use the place situated at 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh, Delhi, North West Delhi -110034 as registered office. Any discontinuance of facility to use the office will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

Following are the details of our properties taken by our Company on lease:

Sr.No.	Details of the Property	Lessor	Consideration	Use	Lease period
1.	609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44,	Mr. Manoj Sharma and	Rs. 32,500 per month.	Registered office	2 years w.e.f. 1st April, 2023

Sr.No.	Details of the Property	Lessor	Consideration	Use	Lease period
	Pitampura Rani Bagh, Delhi, North West Delhi -110034.	Mrs. Reeta Bhardwaj			
2.	WZ-410/2, Second Floor, Shakurpur Village, Near Britania Chowk, Delhi- 110034.	Mr. Sunil Yadav	Rs. 14,000 per month	Warehouse	11 months w.e.f. 1 <sup>st</sup> July, 2023.
3.	Warehouse size 35x130, Situated at Khewat No. 437/390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001.	Mr. Suresh Tiwari	Rs. 55,000 per month	Warehouse	3 years w.e.f. 14 <sup>th</sup> July, 2022

Any discontinuance of facility to use the Registered office and warehouses will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

*For further details, please refer to section titled Our Business on page 107 of this Draft Letter of offer.*

**4. Our top 10 customers contribute majority of our revenues from operations. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

Our top ten customers accounted for approximately 64.17% of our total revenue from operations from our total revenue from operations for FY 2022-23 and our top ten customers accounted for approximately 32.89% of our total revenue from operations for the period ended 30<sup>th</sup> November, 2023. The loss of any significant customers would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business with these customers or that we will be able to replace these customers in case we lose any of them. Furthermore, major events affecting our customers, such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major customers becomes bankrupt or insolvent, we may lose some or all of our business from that customers and our receivable from that customers would increase and may have to be written off, impacting our income and financial condition.

*For further details about business, please refer to section titled Our Business on page 107 of this Draft Letter of offer.*

**5. We have not executed any agreement with any of our Job workers contractors.**

We are getting our readymade garments ready throughout sourcing work on job work basis to outside parties. We have neither any written agreement nor any commitment with any of our job workers. In absence of any type of the commitment with the job workers, we are not sure that they will continue to work with us as job workers at commercially acceptable rates. Generally, we are getting rates for our out-sourcing work every time a fresh, so according to us, we are not required to entered in to any type of contract with the job workers. However, if, any of the job works contractor refuse to work for us, our supply will be temporarily affected which will adversely, affect our cost, profitability and liquidity.

**6. Our Company undertakes job work activities which exposes us to loss in case of Rejection of finished Material.**

We engage in job work activities on behalf of our principal employer. The material we process and supply undergo under stringent quality checks. Although, we have not faced any rejection of material in the past, however, we may not be able to deliver the requisite quality of goods and may face rejections in future, which in turn would affect our revenue, financials and cash flows of the Company.



- 7. We rely on third party manufacturers for manufacturing of our readymade garments. In the event the manufacturing facilities of our third party manufacturers cease to be available to us at terms acceptable to us, or we experience problems with, or interruptions at such facilities, our business, results of operations and financial condition may be adversely affected.**

We rely on third party manufacturers for manufacturing of our readymade garments. In the event that there are any delays or disruptions in the manufacturing facilities of such third party manufacturers, our ability to deliver certain products may be affected. Any of our third party manufacturer's failure to adhere to agreed timelines, whether due to their inability to comply with, or obtain, regulatory approvals, or otherwise, may result in delays and disruptions to our supplies, increased costs, delayed payments for our products and damage to our reputation leading to an adverse effect on our results of operations. In the event these third party manufacturing facilities cease to be available to us at terms acceptable to us or we experience problems with, or interruptions in, such services or facilities, and we are unable to find other facilities to provide similar manufacturing capacity on comparable terms and on a timely basis, our operations may be disrupted and our results of operations and financial condition may be adversely affected.

- 8. We generate our major portion of sales from our operations in certain geographical regions of Delhi, Haryana, Rajasthan, Chhattisgarh, Uttar Pradesh, Bihar, Gujarat and Punjab and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.**

Our revenue from operations from the State of Delhi, Haryana, Punjab, Rajasthan and Arunachal Pradesh constitute 37.20%, 47.54%, 14.66%, 0.09% and 0.52% respectively, of the total revenue from operations for FY 2022-23.

Our revenue from operations from the State of Delhi, Haryana, Punjab, Rajasthan, Bihar, Gujarat, Uttar Pradesh, Chattisgarh and Arunachal Pradesh constitute 30.61%, 52.02%, 2.71%, 0.02%, 1.59%, 0.18%, 10.96%, 0.12% and 1.79% respectively, of the total revenue from operations for the period ended 30<sup>th</sup> November, 2023.

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in which we are currently offering. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, and are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside these markets may adversely affect our business prospects, financial conditions and results of operations. For further details of our business, please refer chapter titled "Business Overview" beginning on page 107 of this Draft Prospectus.

- 9. We distribute products manufactured by third party manufacturers or suppliers. Hence, we have to rely on third parties for procuring the products sold by our Company. If these manufacturers or suppliers are unable or unwilling to manufacture the products distributed by us, or if these organizations fail to comply any applicable regulations or otherwise fail to meet our requirements, our business will be adversely affected.**

Our Company is engaged in the marketing and distribution of FMCG products. We procure our products manufactured by third party manufacturers or suppliers. Hence, we have to rely on third parties for procuring the products sold by our Company. Our Company has no formal supply agreement or contract with our suppliers for the uninterrupted supply of traded or marketed products. There can be no assurance that such parties shall continuously provide their products to us or would not supply to our competitors. In the event

of any disruption in the supply or the non-availability of products, the purchase and distribution schedule may be adversely affected impacting the sales and profitability of the Company.

suppliers must meet certain ongoing regulatory requirements for commercially marketing of products. We do not control the manufacturing processes of our suppliers and depend on them to comply with regulatory approval. If approval for a supplier is not received or ongoing testing does not continue to meet approved standards and approval is withdrawn, the supplier's production would be delayed or suspended, which could adversely affect our distribution efforts. In the event that any of our suppliers were unable or unwilling to continue to provide the products in our required volumes, we would need to identify and obtain acceptable replacement sources on a timely basis. There is no guarantee that we would be able to obtain such alternative sources of supply on a timely basis or at all, could have a material adverse effect on our sales and in turn results of operations.

**10. If demand for our Garment accounting for major portion of our revenue declines or if we do not successfully commercialize our products, or if the sale is delayed, our business and the results of operations may be adversely affected.**

Any reduction in demand for our textile products could adversely affect our business and financial condition. Further, although, we believe that our textile products have a unique style, introduction of products with similar or better style by our competitors in future could have adverse effect on our business interests and financial condition. Further, we need to carry out successfully marketing of our products. We believe that we have been successfully able to commercialize and market our products without any undue delay in the past, however, we cannot assured that we will be able to do so in the future also. In the event, we do not successfully commercialize our products or if our commercialization is unduly delayed for any reason whatsoever, it may affect our business operations and growth prospects. Any reduction in demand for our products in the due to above stated reasons could adversely affect our business and financial conditions.

**11. Our Company depends on timely identification of evolving fashion trends and creating new designs. Any Delay on the part of our Company in this regard may adversely affect our business operations.**

Our Textile business is driven by recent clothing fashion trends which is dynamic and ever changing and we may not be able to adapt to such changes and maintain our growth in face of the competitive environment that we currently operate in. We maintain a team of experienced person who design and develop the products as per customer's needs and ascertaining the future market trend of our products. This team works on the development of designs by analyzing the needs of clients by parameters like latest combinations, new techniques & patterns and most importantly the feedback gained from the sales of the similar products that were designed earlier. Our inability to tap the changing fashion can lead to rejection and obsolescence of our garments, which result in to piling of stock which we have to sell at lower price, business operations and financial conditions. Although our Promoters and the key managerial personnel have considerable knowledge of the industry, we cannot assure if they can manage to keep up with the pace of constant changes and diversification.

Further, since we operate in a highly competitive environment, it cannot be assured that we will be able to keep pace with our competitors in terms of investments in expansion, acquisitions for inorganic growth, etc. If we cannot keep pace with our competitors or continuously generate new products, our business and financial conditions may be adversely affected.

**12. In the case of any defect in our products, we will be answerable to customers and incur substantial costs which in turn could adversely affect the value of our brand, and our sales could diminish and are subjected to any negative publicity.**

We believe that we have been able to maintain quality standards of our products and that there have been no major defects in our products in the past. However, in the event of any major defects in our products in future,

we will be liable to the customers and have to replace the /remove the defect by calling that products back from the market, which may incur substantial costs. This would adversely affect our financial condition, value of our brand and our sales due to negative publicity.

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

Our inventory levels as on November 30, 2023 were Rs. 188.54 lakhs. The results of operations of our business are dependent on our ability to effectively manage our inventory. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements and plan our purchases accordingly. If our management fails to estimate the expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory which could affect the cost. We estimate our sales based on the demand and requirements and also on the customer specifications. Further, any disruptions to the delivery of materials may occur for reasons such as poor handling, transportation bottlenecks or labour strikes, which could lead to delayed or lost deliveries or damaged products and disrupt our supply of these products. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer demand could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

For further details of our business, please refer chapter titled “Business Overview” beginning on page 107 of this Draft Prospectus.

**14. We store our inventory in godowns from which we operate, though we take utmost care in maintaining them but there may be chances of spoilage of products due to weather conditions or infections etc.**

We store our inventory in godowns taken by us on lease basis. For further details of our godowns and terms of lease please refer to the section titled "Our Business" on pages 107 of the Draft Prospectus.

Though the godowns taken on lease by us are in the best of the conditions and meet with the requirements of distributors to store their products. We as well as distributors also do regular inspections to check the conditions of our storages. Though in the past there is no incidences of product contamination due to weather conditions, infections etc. but we can not assure you that we may not face that situation in future and in case any such damages happen then there will be material adverse effect on our business, results of operations and financial condition which may adversely affect our profitability and results of operations.

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

Our Garment business is dependent on our continuing relationships with our clients. Our Company neither has any long-term contract with any of clients. Any change in the pattern of our end users or disassociation of major clients can adversely affect the business of our Company. The loss of or interruption of work by, a significant customer or several 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.

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

We may encounter problems in executing the orders in relation to our products, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such

products or cause its cancellation, including delays or failure to obtain necessary permits, authorizations, permissions and other types of difficulties or obstructions. Due to the possibility of cancellations or changes in scope and schedule of delivery of such products, resulting from our customers discretion or problems we encounter in the delivery of such products or reasons outside our control or the control of our customers, we cannot predict with certainty when, if or to what extent we may be able to deliver the orders placed. Additionally, delays in the delivery of such products can lead to customers delaying or refusing to pay the amount, in part or full, that we expect to be paid in respect of such products. In addition, even where a delivery proceeds as scheduled, it is possible that the contracting parties may default or otherwise fail to pay amounts owed. While we have not yet experienced any material delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with regard to the orders placed with us, or disputes with customers in respect of any of the foregoing, any such adverse event in the future could materially harm our cash flow position and income. Further, we operate in highly competitive markets in relation to our products where it is difficult to predict whether and when we will receive such awards. As a result, our results of operations can fluctuate from quarter to quarter and year to year depending on whether and when such orders are awarded to us and the commencement and progress of work under the orders placed.

**17. Our cost of production is exposed to fluctuations in the prices of Raw materials.**

Our Company is dependent on third party suppliers for procuring the raw material for manufacturing of readymade garments. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of production/ trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of raw material may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high-quality materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

**18. Our Distribution of FMCG goods is exposed to fluctuations in the prices of goods.**

Our Company is dependent on third party suppliers for procuring the FMCG goods. We are exposed to fluctuations in the prices of these goods as well as its unavailability, particularly as we typically do not enter into any long-term supply agreements with our suppliers and our major requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure the goods. We also face the risks associated with compensating for or passing on such increase in our cost of distribution on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of these goods may thereby affect our business volume and resultant margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

**19. Improper handling, processing or storage of our raw materials or products, or spoilage of and damage to such raw materials and products, could damage our reputation and have an adverse effect on our business, results of operations and financial condition.**

Our raw materials as well as the products that we manufacture are subject to risks during their manufacture, or storage. Although, raw materials procured by us are extensively tested, we cannot assure you that quality tests conducted by us will be accurate at all times. Any shortcoming in the production or storage of our products due to negligence, human error or otherwise, may damage our products and result in noncompliance with applicable quality standards. Any allegation that our products do not match requisite quality standards could damage our reputation, adversely affect our sales and result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis. We sell our products, directly to customers and if the products sold by those customers are found to be faulty on account of our products, our customers

may return our goods, terminate their relationships with us and initiate legal proceedings against us. We cannot assure you that we will not be subject to such product liability claims in the future. Should any of our products be perceived or found to be faulty, we may be subject to regulatory action, product recalls and our reputation, business, results of operations and financial condition may be adversely affected. We may also be exposed to liability from consumers for defects in the quality of our products, which may be occasioned by manufacturing defects or contamination, spoilage or damage to our raw materials. Significant product liabilities could adversely affect our reputation, sales revenues and results of operations.

**20. We require a number of approvals, licenses, registration and permits for our business and failure to obtain or renew them in a timely manner may adversely affect our operations.**

We may require several statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has either received, applied for or is in the process of application. Many of these approvals are granted for fixed periods of time and need renewal from time to time. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the timeframe anticipated by us or at all. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “Key Industry Regulations and Policies in India” and “Government and Other Approvals” at pages 123 and 176 respectively of this Draft Prospectus.

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

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

**22. Changes in customer preferences could affect our business, financial condition, results of operations and prospects.**

Any change in the customer preference can render our old stock obsolete, as changes in customer preference are generally beyond our control. Some or all of our products may become less attractive in light of changing customer preferences or better products by competitors and we may be unable to adapt to such changes in a timely manner. However, we constantly focus on research and development and to develop new products to cater the customer needs, any change in customer preferences that decreases demand could affect our business, financial condition, results of operations and prospects.

**23. Our Company’s failure to maintain the quality standards of the products could adversely impact our business, results of operations and financial condition.**

The demand for our products depends on quality that we market. Any failure of ours to maintain the quality standards may affect our business. Although we have put in place strict quality control procedures, we cannot assure that our products will always be able to satisfy our customer’s quality standards. Any negative publicity regarding our Company, or products, including those arising from any deterioration in quality of our products or any other unforeseen events could adversely affect our reputation, our operations and our results from operations.


**24. Negative publicity could adversely affect our revenue model and profitability of our Company.**

Our business is dependent on the trust our customers have reposed in the quality of our products. Any negative publicity our Company due to any other unforeseen events could affect our reputation and our results from operations. Further, our business may also be affected if there is any negative publicity associated with the services which are being rendered by our Company which may indirectly result in erosion of our reputation and goodwill.

**25. If we are unable to collect our receivables from our clients, our results of operations and cash flows could be adversely affected.**

Our trade receivable as on November 30, 2023 stood at Rs. 367.88 Lakhs. Recovery of our receivables and timely collection of client balances depends on our ability to complete our commitments. We might experience delays in collection of and/or be unable to collect our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. In addition, if we experience an increase in the time to bill and collect for our goods, our cash flows could be adversely affected. If client's default in their payments to which the Company has devoted significant resources or in which it has invested significant resources is delayed, cancelled or does not proceed to completion, it could have an adverse effect on the Company's business, financial condition and results of operations.

**26. Our Corporate logo  is not yet registered. If we fail to obtain trademark registration our brand building efforts may be hampered which might lead to adverse effect on our business.**

Our Company is currently using the trademark  which is not yet registered in the name of our Company although we have made an application dated 14<sup>th</sup> June, 2023 vide Application no. 5979828 for the registration of the trademark with the respective authorities. If we are unable to get the same registered with the trademark authorities then, Our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations.

**27. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards inventories and trade receivables. 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 sources 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 offer" on page 74 of this Draft Prospectus.

**28. Our future success depends significantly on the continued service of our promoters, management team and other key personnel.**

We depend on our experienced promoters, management team for our success and future growth loss of one or more key executives could have a negative impact on our business and growth. The industry experience, expertise and contributions of our promoters, management team, key personnel and our Promoters are

essential for our continuing success. We may be unable to replace key members of our management team and key employees in the event we lose their services as there is intense competition for qualified personnel in our business. Loss of any senior management team members may have adverse effect on our sales, business operations and profitability.

**29. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.**

Modernization and technology up gradation is essential to reduce costs and increase the efficiency. Our technology may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we believe that we are utilizing latest technology by using latest machineries and equipments, we shall continue to strive to keep our technology updated. In case of a new found technology in the Garment Industry, we may be required to implement new technology employed by us. Further, the cost in upgrading our technology is significant which could substantially affect our finances and operations.

**30. Our ability to retain the clients is heavily dependent upon various factors including our reputation and Our skill to maintain the quality in Products manufactured by us and our ability to maintain a high level of service quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.**

We believe our strong brand reputation & our skill to maintain the quality in our Products. As a result, our reputation and perception of our brands are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in our business segments. Our business heavily relies on our reputation as well as the quality and popularity of the product provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate. We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Further, we rely on a variety of advertising efforts tailored to target the customers. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the rate of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

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

As on November 30, 2023, we had total inventory consisting of goods to the value of Rs. 188.54 lakhs. Our business operations require us to maintain large amounts of inventory at all times. Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking and display. Although we have set up various security measures and follow stringent operational processes such as stock taking, 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.

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

Our Promoters, Directors and Key Management Personnel can be deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlement, or loans advanced, provided by them to/for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and our Promoter Group.

For further information, please refer to the chapters titled “Our Business”, “Our Promoters and Promoter Group” and “Related Party Transactions”, beginning on pages 107, 150 & 156 respectively of this Draft Prospectus.

**33. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.**

We operate in a highly competitive business environment. Growing competition in the domestic market from domestic players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing their capacities and targeting the same products in which we are dealing. There can be no assurance that we can continue to effectively compete with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

**34. We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.**

We have entered into related party transactions with our Promoters, Promoter Group, Directors, KMP’s and Promoter group entities. While we believe that all such transactions have been conducted on the arm’s length basis and for business exigencies of the company, however it is difficult to ascertain whether more favorable terms would have been achieved had such transactions been entered with unrelated parties. Furthermore, it is likely that we may enter into related party transactions in the future.

For details of these transactions, please refer related party transactions as restated as appearing in the chapter titled "Financial Information of the Company" beginning on pages 158 of this Draft Prospectus.

**35. The average cost of acquisition of Equity Shares by our Promoters may be less than the Issue Price.**

The average cost of acquisition of Equity Shares by our Promoters may be less than the Issue Price. The details of average cost of acquisition of Equity Shares acquired by our Promoters is set out below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Mohit Arora	19,26,126	5.33
Mr. Nohit Arora	5,84,130	9.22

*\*The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares, including the issue of bonus shares, if any, to them. The average cost of acquisition of our Equity Shares by our Promoters has been reduced due to the issuance of bonus shares to them, if any. For more information, please refer to the section titled “Capital Structure” on page 61.*



**36. Late Deposits of Tax Deducted at Source (TDS) with the Income Tax Authority.**

We are deducting income Tax from the payments as per the provisions of the Income Tax Act, 1961 and the same is required to be deposited with the Income Tax Authority within prescribed time limit. However, there has been instances where our Company has not deposited the amount of TDS with the authority within time limit. Under the circumstances, the same has been deposited with interest. If we do not deposit the TDS amount in time, in future, we may be liable to pay TDS amount with interest and penalty and prosecutions against the Directors & the Company, if any.

**37. E-verification of Income Tax return of one of our Promoters, Mr. Nohit Arora is pending for FY 2021-22 and Mr. Mohit Arora, one of our promoters is yet to file its IT Return for FY 2022-23.**

One of our Promoters namely, Mr. Nohit Arora, has submitted his Income tax Return for the financial year 2021-22, however, he has not done the e-verification required to processed the Income tax return, Although Our promoter has submitted a condonation of delay for submission of e-verification with Income Tax department. However, if the condonation of delay is not accorded by the Income Tax department, Our promoter may have to refile the Income Tax return with additional interest or penalty. Also, Mr. Mohit Arora, promoter of our company is yet to file its Income Tax Return for FY 2022-23, in case of delay filing of Income Tax, he may have to pay the late filing fees along with interest on delayed filings.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “Outstanding Litigation and Material Developments” beginning on page 171 of this Draft Prospectus.

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

In the past, our company has at several instances, delayed in filing our GST returns, TDS payments/ returns and deposit of other statutory dues and returns, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Company is yet to file the IT return for FY 2022-23, although the Company has submitted its Tax Audit report for the financial year 2022-23, as a result of which, we may have to pay the late filing fees along with interest on delayed filings. Although the late filing fees levied are small but if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. Further no-show cause notice has been issued against our Company till date, in respect of above. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and its directors, in which event the financials of our Company and our directors may be affected.

For further details of certain material legal proceedings involving our Company, our Promoter, our directors, see “Outstanding Litigation and Material Developments” beginning on page 171 of this Draft Prospectus.

**39. We have experienced negative cash flows and any negative cash flows in the future could adversely affect our financial conditions and results of operations.**

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

(In Lakhs.)			
Particulars	30.11.2023	31.03.2023	31.03.2022
Net Cash flow from Operative activities	(94.37)	(0.01)	(5.00)
Net Cash Flow from investing activities	(43.09)	(19.61)	-
Net Cash Flow from Financing activities	153.92	73.56	5.00
<b>Net Cash Flow for the Year</b>	<b>16.46</b>	<b>53.95</b>	<b>-</b>

**40. Unsecured loans taken by our Company from financial institution, can be recalled by the lenders at any time.**

Our Company has raised an unsecured loan amounting to Rs. 25.00 lakhs post 30<sup>th</sup> November, 2023 that are repayable on demand to the relevant lender, any unexpected demand of any future from lender may accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. For further details of unsecured loans of our Company, please refer the chapter titled Statement of *Financial Indebtedness* on page 160 of this Draft Prospectus.

**41. Conflicts of interest may arise out of common business undertaken by our Company and our promoter Group Entities.**

Our Promoter Group Entities namely Davin Impex Private Limited and Upvastra Clothing Private Limited are authorized to carry out business similar to that of our Company. We have not entered into any non-compete agreement with such entities. We cannot assure that our Promoters/ Promoter Group who has common interest in such entities will not favour the interest of such entities. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other Companies in which our Promoters has interests. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

**42. There are certain discrepancies/errors noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.**

Our Company has not complied with certain statutory provisions in the past including but not limited to the following:

- Few E-form MGT 14 for registration of resolutions and agreements; Two E-form PAS 3 for return of allotment of shares; and DIR 12 for appointment of Director have been filed after the due date with additional fees;
- There has been a error in mentioning the due date of Annual General Meeting in eform AOC 4 and Eform MGT 7 while submitted Audited financial statements and annual return.

Any penalty or action taken by any regulatory authority in future for non-compliance with provisions of corporate and other law could impact financial position of the company to that extent.

**43. Our insurance coverage may not adequately protect us against certain operating risks and this may have an adverse effect on the results of our business.**

We are insured for the risks associated with our business activities through Insurance policy. We believe that we have got our assets and stock adequately insured; however, our policy of covering these risks through insurance may not always be effective or adequate there can be no assurance that any claim under the insurance policies maintained by us will be honored fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance policy or exceeds our insurance coverage, our business and results of operations could be adversely affected. For further details of our business, please refer chapter titled “Business Overview - Insurance” beginning on page 121 of this Draft Prospectus.

**44. Our Company has during the preceding one year from the date of the Draft Prospectus have allotted Equity Shares at a price which is lower than the Issue Price.**

In the last 12 months, we have made allotment of Equity Shares to our promoters and promoter group, which is lower than the Issue Price. The details of allotment are –

- Our Company has issued 5,48,435 Equity Share by way of bonus issue in the ratio of 5:1 on 23<sup>rd</sup> May, 2023; and
- Our Company has issued 24,44,528 Equity Share by way of bonus issue in the ratio of 2:1 on 27<sup>th</sup> June, 2023.

For further details relating to number of shares issued, date of allotment etc. please refer to section titled “Capital Structure” on page 61 of this Draft Prospectus. The Issue Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

**45. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.**

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors.

*For further details, please refer “Dividend Policy” on page 157 of this Draft Prospectus.*

**46. Our inability to manage growth could disrupt our business and reduce profitability. Our Business strategy is to continuously grow by expanding the size and geographical scope of our businesses.**

This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

**47. Our promoters and promoter group will continue to retain significant control over our Company after the IPO.**

After completion of the Issue, our Promoters and Promoter Group will collectively own upto 63.14% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

- 48. 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 the Audit Committee.**

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the BSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

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

The proposed expansion, as detailed in the section titled “*Objects of the Issue*” is to be entirely funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given time frame, or within the costs as originally estimated by us. Any time overrun or cost overrun may adversely affect our growth plans and profitability.

- 50. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles “Objects of the Issue”.**

The fund requirement and deployment, as mentioned in the “*Objects of the Issue*” on page 74 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “*Objects of the Issue*” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “*Objects of the Issue*” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 51. We have not independently verified certain data in this Draft Prospectus.**

We have not independently verified data from industry publications contained herein and although we believe these sources to be reliable, we cannot assure you 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 caveat that the statistical and other data upon which such discussions are based have not been verified by us and may be incomplete or unreliable.

#### **Risk related to this Issue and Investment in our Equity Shares**

- 52. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.**

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoters may

adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

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

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized 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 realized 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 realized 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 are exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**55. Our inability to manage growth could disrupt our business and reduce profitability. Our Business strategy is to continuously grow by expanding the size and geographical scope of our businesses.**

This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our culture, values and entrepreneurial environment, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

## **EXTERNAL RISK FACTORS**

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, spending and tourism.

**57. Political, Economic and Social changes in India could adversely affect our business.**

Our business, and the market price and liquidity of our Company's shares, may be affected by changes in Government policies, including taxation, social, political, economic or other developments in or affecting India could also adversely affect our business. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms including significantly relaxing restrictions on the private

sector. In addition, any political instability in India may adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

**58. Our business is dependent on economic growth in India.**

Our performance is dependent on the health of the overall Indian economy. There have been periods of slowdown in the economic growth of India. India economic growth is affected by various factors including domestic consumption and savings, balance of trade movements primarily resulting from export demand and movements in key imports, such as oil and oil products, and annual rainfall, which affect agricultural production. For example, in the monsoon of 2009, Several parts of the country experienced below average rainfall, leading to reduced farm output which impaired economic growth. In the past, economic slowdowns have harmed industries and industrial development in the country. Any future slowdown in the Indian economy could harm our business, financial condition and results of operations.

**59. The extent and reliability of Indian infrastructure could adversely affect our results of operations and financial condition.**

India's physical infrastructure is less developed than that of many developed countries. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy.

**60. Global economic downturn and adverse market conditions could cause our business to suffer. A slowdown in economic growth in India could cause our business to suffer.**

The developed economies of the world viz. U.S., Europe, Japan and others are in midst of a downturn affecting their economic condition and markets general business and consumer sentiment has been adversely affected due to the global slowdown and there can be no assurance whether the developed economies or the emerging market economies will see good economic growth in the near future. Consequently, this has also affected the global stock and commodity markets. Our performance and growth is directly related to the performance of the Indian economy. The performance of the Indian economy is dependent among other things on the interest rate, political and regulatory actions, liberalization policies, commodity and energy prices etc. A change in any of the factors would affect the growth prospects of the Indian economy, which may in turn adversely impact our results of operations, and consequently the price of our Equity Shares.

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

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance.

**62. Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.**

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade and also adversely affect the worldwide financial markets. In addition, the Asian region has from time to time experienced instances of civil unrest and hostilities among neighbouring countries. Hostilities and tensions may occur in the future and on a wider scale. Military activity or terrorist attacks in India, may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other

countries in the world, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

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

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For further details please refer to the chapter “Government and Other Approvals” beginning on page 176 for details of the laws currently applicable to us. There can be no assurance that the central or the state governments in India may not implement new regulations and policies which will require us to obtain approvals and licenses from the central or the state governments in India and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on all our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations.

**SECTION IV – INTRODUCTION**
**THE ISSUE**

<b>Equity Shares Issued <sup>(1)</sup>:</b> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Upto 15,99,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs
<b>Of which:</b>	
<b>Issue Reserved for the Market Maker</b>	Upto 81,000 Equity Shares of face value of Rs.10/- each fully-paid up for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs
<b>Net Issue to Public</b>	Upto 15,18,000 Equity Shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs
	<b>Of which <sup>(3)</sup>:</b>
	[●] Equity Shares of having face value of Rs.10/- each fully paid-up for cash at a price of Rs. [●] per Equity Share will be available for allocation for retail individual Investors of up to Rs. 2.00 Lakhs
	[●] Equity Shares of having face value of Rs.10/- each fully paid-up for cash at a price of Rs. [●] per Equity Share will be available for allocation for Non retail individual Investors of above Rs. 2.00 Lakhs
<b>Equity shares outstanding prior to the Issue</b>	36,66,792 Equity Shares of face value of Rs.10/- each fully paid-up
<b>Equity shares outstanding after the Issue</b>	Upto 52,65,792 Equity Shares of face value of Rs.10/- each fully paid-up
<b>Use of Net Proceeds</b>	Please refer to the chapter titled “Objects of the Issue” beginning on page 74 of this Draft Prospectus.

<sup>(1)</sup> This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated 30<sup>th</sup> June, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our Shareholders held on 5<sup>th</sup> July, 2023.

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

(a) minimum fifty per cent to Retail Individual Investors; and

(b) remaining to:

- i. individual applicants other than Retail Individual Investors; and
- ii. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

*Explanation - For the purpose of Regulation 253 (2), if the Retail Individual Investors category is entitled to more than fifty per cent of the issue size on a proportionate basis, the Retail Individual Investors shall be allocated that higher percentage.*

For further details please refer to the chapter titled “Issue Structure” beginning on page 195 of this Draft Prospectus.



**SUMMARY OF FINANCIAL INFORMATION**
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**
*(Rs. In Lakhs)*

<b>Particulars</b>	<b>Note No</b>	<b>30.11.23</b>	<b>31.03.23</b>	<b>31.03.2022</b>
<b>Equity &amp; Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	A	366.68	10.97	5.00
Reserve & Surplus	A	143.42	98.40	-
<b>Total (A)</b>		<b>510.10</b>	<b>109.36</b>	<b>5.00</b>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	B	0.00	128.15	-
Deferred Tax Liabilities (Net)	C	-	0.06	-
Other Long-Term Liabilities			-	-
<b>Total (B)</b>		<b>0.00</b>	<b>128.21</b>	<b>-</b>
<b>Current Liabilities</b>				
Trade Payables	D	127.14	177.11	-
Other Current Liabilities	E	14.68	3.48	-
Short Term Provisions	E	85.82	37.79	-
<b>Total (C)</b>		<b>227.64</b>	<b>218.38</b>	<b>-</b>
<b>Total (D=A+B+C)</b>		<b>737.75</b>	<b>455.96</b>	<b>5.00</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment:				
(i) Tangible Assets	F	45.75	9.86	-
(ii) Intangible Assets		-	-	-
Non-current investments	G			
Deferred tax assets (net)	C	0.34	-	-
Long Term Loan & Advances	G	11.96	15.26	
Other Non-Current Assets	G	5.50	1.50	-
<b>Total (E)</b>		<b>63.55</b>	<b>26.62</b>	<b>-</b>
<b>Current Assets</b>				
Inventories	H	188.54	117.82	-
Trade Receivables	I	367.88	201.82	-
Cash & Bank Balances	J	71.75	55.31	-
Short Term Loans & Advances & Other Current Assets	K	46.02	54.40	5.00
			-	
<b>Total (F)</b>		<b>674.19</b>	<b>429.35</b>	<b>5.00</b>
<b>Total (G=E+F)</b>		<b>737.75</b>	<b>455.97</b>	<b>5.00</b>

**STATEMENT OF PROFIT AND LOSS, AS RESTATED**
*(Rs. In Lakhs)*

<b>Particulars</b>	<b>Note No</b>	<b>30.11.23</b>	<b>31.03.23</b>	<b>31.03.2022</b>
<b>Income</b>				
Revenue from Operations	L	1,090.75	383.14	-
Other Income	M	-	8.19	-
<b>Total Income (A)</b>		<b>1,090.75</b>	<b>391.33</b>	<b>-</b>
<b>Expenditure</b>				
Purchase of materials	N	808.73	358.40	-
Changes in Inventories of stock in trade	O	(70.72)	(82.28)	-
Employee Benefit Expenses	P	55.52	28.36	-
Finance Cost	Q	0.26	0.09	-
Other Expenses	R	130.65	9.63	-
Depreciation and Amortization Charges	F	6.50	0.71	-
<b>Total Expenditure (B)</b>		<b>930.93</b>	<b>314.89</b>	<b>-</b>
<b>Profit before exceptional and extraordinary items and tax (C=A-B)</b>		<b>159.81</b>	<b>76.44</b>	<b>-</b>
Exceptional items (D)			-	
Profit before extraordinary items and tax (E=C-D)		<b>159.81</b>	<b>76.44</b>	<b>-</b>
Extraordinary items (F)			-	-
<b>Net Profit before Tax (G=E-F)</b>		<b>159.81</b>	<b>76.44</b>	<b>-</b>
<b>Less: Provision for Taxes (H)</b>				<b>-</b>
Current Tax		41.55	19.76	-
Deferred Tax		0.40	(0.06)	-
Earlier Tax		-	-	-
<b>Profit (Loss) for the period (G-H)</b>		<b>118.66</b>	<b>56.62</b>	<b>-</b>
<b>Earnings per equity share :</b>				<b>-</b>
<b>1) Basic</b>		<b>3.41</b>	<b>51.62</b>	<b>-</b>
<b>2) Diluted</b>		<b>3.41</b>	<b>51.62</b>	<b>-</b>

**STATEMENT OF CASH FLOW, AS RESTATED**
*(Rs. In Lakhs)*

<b>Particulars</b>	<b>30.11.23</b>	<b>31.03.23</b>	<b>31.03.2022</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit before taxes	159.81	76.44	
Adjustment for:			
Add: Depreciation & Amortizations	6.50	0.71	
Add: Bad Debts Written Off	5.88		
Add: Discount	0.14		
Less: Interest Income	-	-	
Add: Interest Expenses	-	-	
Operating Profit before Working capital changes	<b>172.34</b>	<b>77.14</b>	
Adjustments for:			
(Increase)/ Decrease in Trade Receivable	(172.08)	(97.75)	
(Increase)/ Decrease in Short Term Loans & Advances & Other Current Assets	8.39	(3.24)	(5.00)
(Increase)/ Decrease in Inventories	(70.72)	(82.29)	
Increase/ (Decrease) in Other Current Liabilities	11.20	3.48	
Increase/ (Decrease) in Short Term Provisions	6.48	(0.01)	
Increase/ (Decrease) in Long Term Liability	-	-	
Increase/ (Decrease) in Trade Payables	(49.97)	102.64	
<b>Cash Generated from/used in Operations</b>	<b>(94.37)</b>	<b>(0.02)</b>	<b>(5.00)</b>
Direct Taxes paid	0.00	-	
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(94.37)</b>	<b>(0.02)</b>	<b>(5.00)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale / (Purchase) of Property, Plant & Equipment (Including Capital goods)	(42.39)	<b>(4.35)</b>	
(Increase)/ Decrease in Fixed Deposit	0.00	-	
Interest Received	-	-	
(Increase)/ Decrease in Other Non-Current Assets			
(Increase)/ Decrease in Long Term Loans & Advances	3.30	(15.26)	
(Increase)/ Decrease in Current Investments	(4.00)	-	
(Increase)/ Decrease in Non Current Investments	0.00	-	
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(43.09)</b>	<b>(19.61)</b>	<b>-</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Shares Issue	56.41	-	5.00
Securities Premium on shares	225.66	-	
Increase/ (Decrease) in Long Term Borrowings	(128.15)	73.56	
Interest paid	-	-	
<b>Net Cash Flow from Financing Activities (C)</b>	<b>153.92</b>	<b>73.56</b>	<b>5.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>16.46</b>	<b>53.93</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the year / Period</b>	<b>55.29</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>71.75</b>	<b>53.94</b>	<b>-</b>

### GENERAL INFORMATION

Our Company was incorporated as ‘Davin Sons Retail Limited’ under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated 8<sup>th</sup> February, 2022, issued by the ROC, Central Registration Centre, Ministry of Corporate Affairs. Later, vide Business Purchase Agreement dated 2<sup>nd</sup> March, 2023, the running business of the proprietorship concern of our Promoter namely “JESUS SHIRTS” was taken-over by the Company, along with the Assets and Liabilities of the proprietorship concern as going concern. The Corporate Identification Number of our Company is U14101DL2022PLC393510.

For further details and details of changes in the registered office of our company, please refer to the chapter titled “History and Certain Corporate Matters” beginning on page 132 of this Draft Prospectus.

#### REGISTERED OFFICE

**Davin Sons Retail Limited**  
 609, Sixth Floor, P.P. City Centre Plot No. 3,  
 Road No. 44, Pitampura Rani Bagh, Delhi,  
 North West Delhi - 110034  
**Tel No:** + 91-11-49092127  
**Email:** [info@davinsonsretail.com](mailto:info@davinsonsretail.com)  
**Website:** [www.davinsonsretail.com](http://www.davinsonsretail.com)

#### REGISTRAR OF COMPANIES

**Registrar of Companies, Delhi**  
 Address: 4th Floor, IFCI Tower,  
 6 Nehru Place, New Delhi-110019  
**Tel No.:** 011-26235703  
**E-mail:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

#### DESIGNATED STOCK EXCHANGE

BSE SME  
 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers,  
 Dalal Street, Mumbai - 400 001,  
 Maharashtra, India  
**Tel No:** 022 - 2272 1233/4  
**Website:** [www.bsesme.com](http://www.bsesme.com)

#### BOARD OF DIRECTORS

As on the date of this Draft Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Mr. Mohit Arora	Chairman and Managing Director	07231072	C /1079 Ansal Api Essencia, Second Floor, Sec 67 Gurgaon-122002
Mr. Nohit Arora	Whole Time Director	09424503	C - 5/92, Rohini, Sec -11, North west, Delhi - 110085, India
Mrs. Sonam Arora	Non-Executive Director	10163260	C /1079 Ansal Api Essencia, Second Floor, Sec 67 Gurgaon-122002
Ms. Sapna	Non-Executive Independent Director	10294154	402, Tower 15, Savitry Green, VIP Road, Zirakpur, SAS Nagar (Mohali), Punjab-140603

Name	Designation	DIN	Residential Address
Ms. Saloni Mehra	Non-Executive Independent Director	10163260	H.NO, 49 Katra Moti Ram I/s Hathi Gate, wc: Amritsar-I, PO: Amritsar G.P.O, (Punjab)-143001

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 136 of this Draft Prospectus.

#### CHIEF FINANCIAL OFFICER

**Mr. Chander Parkash**

609, Sixth Floor,  
 P.P. City Centre Plot No. 3,  
 Road No. 44, Pitampura Rani Bagh, Delhi,  
 North West Delhi - 110034  
**Tel No:** + 91-11-49092127  
**Email:** [info@davinsonsretail.com](mailto:info@davinsonsretail.com)  
**Website:** [www.davinsonsretail.com](http://www.davinsonsretail.com)

#### COMPANY SECRETARY AND COMPLIANCE OFFICER

**Ms. Kavita Wadhwa**

609, Sixth Floor,  
 P.P. City Centre Plot No. 3,  
 Road No. 44, Pitampura Rani Bagh, Delhi,  
 North West Delhi - 110034  
**Tel No:** + 91-11-49092127  
**Email:** [info@davinsonsretail.com](mailto:info@davinsonsretail.com)  
**Website:** [www.davinsonsretail.com](http://www.davinsonsretail.com)

#### INVESTOR GRIEVANCES

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Managers 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, non-receipt of funds by electronic mode etc.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as name of the sole or First Applicant, Application Form number, Applicant’s DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned herein above.

In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any 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. In terms 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 SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SCSBs are required to compensate the investor immediately on the receipt of complaint. Further, the

post issue lead managers is required to compensate the investor for delays in grievance redressal from the date on which the grievance was received until the actual date of unblock.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the information mentioned hereinabove. All grievances relating to Applications submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

#### LEAD MANAGERS TO THE ISSUE

<p><b>FIRST OVERSEAS CAPITAL LIMITED (FOCL)</b>            1-2 Bhupen Chambers,            Dalal Street, Fountain,            Mumbai-400 001, Maharashtra, India  <b>Tel. No.:</b> +91 22 4050 9999  <b>Email:</b> <a href="mailto:mb@focl.in">mb@focl.in</a>  <b>Investor Grievance Email:</b>  <a href="mailto:investorcomplaints@focl.in">investorcomplaints@focl.in</a>  <b>Website:</b> <a href="http://www.focl.in">www.focl.in</a>  <b>SEBI Registration No:</b> INM000003671  <b>Contact Person:</b> Ms. Mala Soneji / Mr. Rushabh Shroff</p>	<p><b>NAVIGANT CORPORATE ADVISORS LIMITED (NCAL)</b>            804, Meadows, Sahar Plaza Complex,            J B Nagar, Andheri Kurla Road, Andheri East,            Mumbai-400 059  <b>Tel No.</b> +91-22-41204837  <b>Email Id-</b><a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a>  <b>Investor Grievance Email:</b>  <a href="mailto:info@navigantcorp.com">info@navigantcorp.com</a>  <b>Website:</b> <a href="http://www.navigantcorp.com">www.navigantcorp.com</a>  <b>SEBI Registration Number:</b> INM000012243  <b>Contact Person:</b> Mr. Sarthak Vijlani</p>
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#### REGISTRAR TO THE ISSUE

**KFIN TECHNOLOGIES LIMITED**  
 Selenium Tower-B, Plot 31 & 32,  
 Gachibowli, Financial District,  
 Nanakramguda, Serilingampally,  
 Hyderabad – 500 032, Telangana,  
**Tel No:** +91 40 6716 2222  
**E-mail Id:** [dsrl.ipo@kfintech.com](mailto:dsrl.ipo@kfintech.com)  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Investor Grievance Id:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**Contact Person:** M Murali Krishna  
**SEBI Registration No:** INR000000221

#### LEGAL ADVISOR TO THE ISSUE

**LAW AND LEGAL JURISTS**  
 Chamber No. 612, Dwarka Court Complex,  
 Sector – 10, Dwarka, New Delhi – 110 075  
 Tel: +91-011-2381 2302  
 Email: [ljurists@yahoo.co.in](mailto:ljurists@yahoo.co.in)  
 Contact Person: Mr. Ranjan Kumar

#### BANKERS TO THE ISSUE / REFUND BANK / SPONSOR BANK

[•]

**BANKERS TO THE COMPANY**
**ICICI Bank Limited**

Chand Plaza, Sohna Road, Badshahpur,

Gurgaon, Haryana-122001

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

CIN: L65190GJ1994PLC021012

**STATUTORY AUDITORS OF OUR COMPANY**
**M/s. Sharma Sharma & Co.**

Chartered Accountants

211, Priyanka Tower, Near Fund Cinema, Moti Nagar,

Metro Pillar-322, Delhi-110015

Contact No. 91-9958999665

 E-mail: [sharmasharmaca@gmail.com](mailto:sharmasharmaca@gmail.com)

Contact Person: Mr. Suvir Sharma

Membership No. 088272

Firm Registration No. 009462N

**PEER REVIEWED AUDITORS OF OUR COMPANY**
**M/s. Sharma Sharma & Co.**

Chartered Accountants

211, Priyanka Tower, Near Fund Cinema, Moti Nagar,

Metro Pillar-322, Delhi-110015

Contact No. 91-9958999665

 E-mail: [sharmasharmaca@gmail.com](mailto:sharmasharmaca@gmail.com)

Contact Person: Mr. Suvir Sharma

Membership No. 088272

Firm Registration No. 009462N

 Peer Review No.: 013486 valid till 31<sup>st</sup> August, 2025

*M/s. Sharma Sharma & Co., Chartered Accountant, holds valid Peer Review Certificate Number 013486 dated 2<sup>nd</sup> September, 2021 issued by Peer Review Board of the Institute of Chartered Accountants of India. The certificate is valid till 31<sup>st</sup> August, 2025.*

**STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES**

S.No.	Activity	Responsibility	Co-Ordinator
1.	Due diligence of the Company including its operations/management/business lans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing.	NCAL	NCAL
2.	Capital structuring with the relative components and formalities such as type of instruments, size of issue, allocation between primary and secondary, etc.	NCAL	NCAL
3.	Drafting and approval of all statutory advertisement.	NCAL	NCAL

S.No.	Activity	Responsibility	Co-Ordinator
4.	Appointment of intermediaries - Registrar to the Issue, advertising agency, Banker(s) to the Issue, Sponsor Bank, printer and other intermediaries, including coordination of all agreements to be entered into with such intermediaries.	FOCL, NCAL	FOCL, NCAL
5.	Marketing of the Issue.	FOCL	FOCL
6.	Appointment of Syndicate members & sub-syndicate.	FOCL, NCAL	FOCL, NCAL
7.	Finalization of pricing in consultation with the Company.	FOCL, NCAL	FOCL, NCAL
8.	Post bidding activities including management of escrow accounts, coordinate non- institutional allocation, coordination with Registrar, SCSBs, Sponsor Banks and other Bankers to the Issue, intimation of allocation and dispatch of refund to Bidders, etc.  Coordinating with Stock Exchanges and SEBI for submission of all post-Issue reports including the final post-Issue report to SEBI, release of 1% security deposit post closure of the Issue.	FOCL, NCAL	FOCL, NCAL

#### SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> . Details relating to designated branches of SCSBs collecting the ASBA application forms are available at the above-mentioned 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](http://www.sebi.gov.in)) and it’s updated from time to time.

#### INVESTORS BANKS OR ISSUER BANKS FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <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>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

#### 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 Exchanges, 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](http://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](http://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](http://www.sebi.gov.in)) and updated from time to time.

#### **CREDIT RATING**

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

#### **IPO GRADING**

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

#### **DEBENTURE TRUSTEES**

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

#### **MONITORING AGENCY**

Since our issue size does not 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 Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **FILING OF THE DRAFT PROSPECTUS/ PROSPECTUS**

The Draft Prospectus and Prospectus shall be filed on BSE SME situated at 25<sup>th</sup> Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra, India.

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

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

#### APPRAISING ENTITY

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

#### TYPE OF ISSUE

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

#### GREEN SHOE OPTION

No green shoe option is contemplated under the 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 & Peer Reviewed Auditor, M/s. Sharma Sharma & Co, Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated 18<sup>th</sup> December, 2023 and the Statement of Possible Tax Benefits dated 25<sup>th</sup> December, 2023 issued by them and included in this Draft Prospectus, 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 and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

#### CHANGES IN AUDITORS

There has been change in the Statutory Auditors of our Company since incorporation of the Company as per following details:

Sr No	Date of Change	From	To	Reason for Change
1.	30 <sup>th</sup> November, 2023	N.K. Mittal & Associates, Chartered Accountants	Sharma Sharma & Co. Chartered Accountants	Expiration of peer review status.

#### UNDERWRITING AGREEMENT

Our Company and Lead Managers to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten	% of total Issue size underwritten
[●]	[●]	[●]	[●]

Details of the Underwriter	No. of Equity Shares Underwritten*	Amount Underwritten	% of total Issue size underwritten
<b>Total</b>	[•]	[•]	[•]

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

In accordance with Regulation 260(2) of the SEBI ICDR Regulations, this Issue has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Lead Managers to the Issue have underwritten at least 15% of the total Issue Size.

In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

## MARKET MAKER

[•]

## DETAILS OF THE MARKET MAKING AGREEMENT

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

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
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 BSE SME and SEBI from time to time.

3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to issue their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. [●] per share the minimum bid lot size is [●] Equity Shares thus minimum depth of the quote shall be [●] until the same, would be revised by BSE.
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. 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.
6. 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.
7. 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.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE SME from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME and market maker will remain present as per the guidelines mentioned under BSE 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. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
15. In case of termination of the abovementioned Market Making Agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.
16. **Risk containment measures and monitoring for Market Maker:** BSE SME will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Maker:** BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
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 Rs.250 Crores, the applicable price bands for the first day shall be:
- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Issue price.

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

19. The following spread will be applicable on the BSE SME:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	7
4.	Above 100	6

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

<b>Issue Size</b>	<b>Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue Size)</b>	<b>Re-Entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue Size)</b>
Up to Rs.20 Crore	25%	24%
Rs.20 Crore to Rs.50 Crore	20%	19%
Rs.50 Crore to Rs.80 Crore	15%	14%
Above Rs.80 Crore	12%	11%

21. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
22. 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.
23. On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.

**CAPITAL STRUCTURE**

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

(Rs. in lakhs except share data)

Sr. No.	Particulars	Aggregate Value at Face Value	Aggregate Value at Issue Price <sup>(3)</sup>
<b>A.</b>	<b>Authorized Share Capital</b>		
	60,00,000 Equity Shares of face value of Rs.10/- each	600.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Equity Capital before the Issue</b>		
	36,66,792 Equity Shares of face value of Rs.10/- each	366.68	-
<b>C.</b>	<b>Present Issue in Terms of this Draft Prospectus</b>		
	Upto 15,99,000 Equity Shares of Rs.10/- each for cash at a price of Rs. [●] per share <sup>(1)</sup>	Upto 159.90	[●]
	<i>Which Comprises:</i>		
	Upto 81,000 Equity Shares of face value of Rs.10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	Upto 8.10	[●]
	Net Issue to Public of upto 15,18,000 Equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share to the Public	Upto 151.80	[●]
	<i>Of which</i> <sup>(2)</sup>		
	Allocation to Retail Individual Investors of [●] Equity Shares	[●]	[●]
	Allocation to other than Retail Individual Investors of up to [●] Equity Shares	[●]	[●]
<b>D.</b>	<b>Paid-up Equity Capital after the Issue</b>		
	Upto 52,65,792 Equity Shares of face value of Rs.10/- each	526.58	-
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	22.98	
	After the Issue	[●]	

<sup>(1)</sup> The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on 30<sup>th</sup> June, 2023 and by our Shareholders pursuant to a Special Resolution passed at the Extra-Ordinary General meeting held on 5<sup>th</sup> July, 2023.

<sup>(2)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Size. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Managers and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

**CLASS OF SHARES**

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

**NOTES TO THE CAPITAL STRUCTURE**
**1. Changes in Authorized Share Capital**

Since incorporation, the capital structure of our Company has been altered in the following manner:

- (a) The initial authorized share capital of Rs. 10,00,000 divided into 1,00,000 Equity Shares of Rs.10/- each.
- (b) The Authorized Share Capital was further increased from Rs. 10,00,000 divided into 1,00,000 Equity Shares of Rs.10/- each to Rs. 6,00,00,000 divided into 60,00,000 Equity Shares of Rs.10/- each vide Shareholders' Resolution dated 18<sup>th</sup> March, 2023.

**2. Equity Share Capital History of our Company**

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

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Equity Shares Capital (Rs.)	Cumulative Share Premium (Rs.)
Upon Incorporation	50,000	10/-	10/-	Cash	Subscription to MOA <sup>(i)</sup>	50,000	5,00,000	Nil
31 <sup>st</sup> March, 2023	59,687	10/-	80/-	Other than cash	Allotment pursuant to the acquisition of M/s. Jesus Shirts <sup>(ii)</sup>	1,09,687	10,96,870	41,78,090
23 <sup>rd</sup> May, 2023	5,48,435	10/-	-	Other than cash	Bonus Issue <sup>(iii)</sup>	6,58,122	65,81,220	41,78,090
20 <sup>th</sup> June, 2023	5,64,142	10/-	50/-	Other than cash	Conversion of Loan <sup>(iv)</sup>	12,22,264	1,22,22,640	2,67,43,770
27 <sup>th</sup> June, 2023	24,44,528	10/-	-	Other than cash	Bonus Issue <sup>(v)</sup>	36,66,792	3,66,67,920	22,98,490

Notes to the Capital Structure:

- (i) Initial Subscribers to the Memorandum of Association subscribed 50,000 Equity Shares of Face Value of Rs. 10/- each, details of which are given below:

Sr No	Name	No of Equity Shares
1.	Mr. Davinder Arora	4,000
2.	Mr. Mohit Arora	30,000
3.	Mr. Nohit Arora	15,000
4.	Mrs. Sonam Arora	400
5.	Mrs. Lalita Rani	400
6.	Mrs. Pooja Wadhwa	100
7.	Mr. Ashray Gupta	100
	<b>Total</b>	<b>50,000</b>



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(ii) Allotment pursuant to the acquisition of M/s. Jesus Shirts, 59,687 Equity Shares of Face Value of Rs.10/- each fully paid up, details of which are given below:

Sr No	Name	No of Equity Shares
1.	Mr. Mohit Arora	59,687
	<b>Total</b>	<b>59,687</b>

(iii) Bonus Issue of 5,48,435 Equity Shares of Face Value of Rs. 10/- each fully paid up in the ratio of 5 (Five) Equity Shares for every 1 (One) equity shares held by shareholders, as per the details mentioned below:

Sr No	Name	No of Equity Shares
1.	Mr. Davinder Arora	20,000
2.	Mr. Mohit Arora	4,48,435
3.	Mr. Nohit Arora	75,000
4.	Mrs. Sonam Arora	2,000
5.	Mrs. Lalita Rani	2,000
6.	Mrs. Pooja Wadhera	500
7.	Mr. Ashray Gupta	500
	<b>Total</b>	<b>5,48,435</b>

(iv) Allotment pursuant to the conversion of loan, 5,64,142 Equity Shares of Face Value of Rs.10/- each fully paid up, details of which are given below:

Sr No	Name	No of Equity Shares
1.	Mr. Davinder Arora	1,11,144
2.	Mr. Mohit Arora	1,03,920
3.	Mr. Nohit Arora	1,04,710
4.	Mrs. Sonam Arora	3,990
5.	Mrs. Lalita Rani	1,27,640
6.	Mrs. Pooja Wadhera	10,000
7.	Mr. Ashray Gupta	1,02,738
	<b>Total</b>	<b>5,64,142</b>

(v) Bonus Issue of 24,44,528 Equity Shares of Face Value of Rs. 10/- each fully paid up in the ratio of 2 (Two) Equity Shares for every 1 (One) equity shares held by shareholders, as per the details mentioned below:

Sr No	Name	No of Equity Shares
1.	Mr. Davinder Arora	2,70,288
2.	Mr. Mohit Arora	12,84,084
3.	Mr. Nohit Arora	3,89,420
4.	Mrs. Sonam Arora	12,780
5.	Mrs. Lalita Rani	2,60,080
6.	Mrs. Pooja Wadhera	21,200
7.	Mr. Ashray Gupta	2,06,676
	<b>Total</b>	<b>24,44,528</b>

All the above-mentioned shares are fully paid up since the date of allotment.

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3. Except as disclosed below, we have not issued any Equity Shares for consideration other than cash, at any point of time since Incorporation:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
31 <sup>st</sup> March, 2023	59,687	10/-	80/-	Allotment pursuant to the acquisition of M/s Jesus Shirts	Acquisition of M/s. Jesus Shirts	Mr. Mohit Arora	59,687
23 <sup>rd</sup> May, 2023	5,48,435	10/-	-	Bonus in the ratio of 5:1 i.e., 5 Equity Share for every 1 Equity Shares held	Capitalisation of Reserves	Mr. Davinder Arora	20,000
						Mr. Mohit Arora	4,48,435
						Mr. Nohit Arora	75,000
						Mrs. Sonam Arora	2,000
						Mrs. Lalita Rani	2,000
						Mrs. Pooja Wadhera	500
						Mr. Ashray Gupta	500
20 <sup>th</sup> June, 2023	5,64,142	10/-	50/-	Conversion of Loan	Utilisation towards Working Capital	Mr. Davinder Arora	1,11,144
						Mr. Mohit Arora	1,03,920
						Mr. Nohit Arora	1,04,710
						Mrs. Sonam Arora	3,990
						Mrs. Lalita Rani	1,27,640
						Mrs. Pooja Wadhera	10,000
						Mr. Ashray Gupta	1,02,738
27 <sup>th</sup> June, 2023	24,44,528	10/-	-	Bonus in the ratio of 2:1 i.e., 2 Equity Share for every 1 Equity Shares held	Capitalisation of Reserves	Mr. Davinder Arora	2,70,288
						Mr. Mohit Arora	12,84,084
						Mr. Nohit Arora	3,89,420
						Mrs. Sonam Arora	12,780
						Mrs. Lalita Rani	2,60,080
						Mrs. Pooja Wadhera	21,200
						Mr. Ashray Gupta	2,06,676

4. No equity shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013.

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5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.
6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. We have not issued any Equity Shares at price below issue price within last one year from the date of this Draft Prospectus, except details of which are as follows: -.

S.No.	Reason of Allotment	Date of Allotment*	No of Shares Allotted	Price at which Allotment made
1.	Bonus Issue	23 <sup>rd</sup> May, 2023	5,48,435	Nil
2.	Bonus Issue	27 <sup>th</sup> June, 2023	24,44,528	Nil

\*Above allotment of shares has been made out of Reserve & Surplus available for distribution to shareholders and no part of revaluation reserve has been utilized for the purpose.

### 8. Shareholding Pattern of our Company

The table below presents the current shareholding pattern of our Company as per Regulation 31 of SEBI LODR Regulations as on the date of this Draft Prospectus:

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Total as a % of (A+B+C)	No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class-Equity	Class	Total				No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
A	Promoter & Promoter Group	5	3324978	-	-	3324978	90.68	3324978	-	3324978	90.68	-	-	-	-	-	-	3324978
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non-Promoter Non-Public	3	341814	-	-	341814	9.32	341814	-	341814	9.32	-	-	-	-	-	-	341814

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	No of Voting Rights held in each class of securities (IX)			Total as a % of (A+B+C)	No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								Class-Equity	Class	Total				No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
C 1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C 2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>8</b>	<b>3666792</b>	<b>-</b>	<b>-</b>	<b>3666792</b>	<b>100.00</b>	<b>3666792</b>	<b>-</b>	<b>3666792</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3666792</b>

9. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as on the date of this Draft Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares (Face value of Rs.10/- each)	Percentage of the pre-Issue Equity Share Capital (%)
1.	Mr. Davinder Arora	4,05,432	11.06%
2.	Mr. Mohit Arora	19,26,126	52.53%
3.	Mr. Nohit Arora	5,84,130	15.93%
4.	Mr. Lalita Rani	3,90,120	10.64%
5.	Mr. Ashray Gupta	2,59,014	7.06%
6.	Ms. Pooja Rani	51,000	1.39%
	<b>Total</b>	<b>36,15,822</b>	<b>98.61%</b>

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10. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Draft Prospectus:

*The Company is incorporated on 8<sup>th</sup> February, 2022 under the Companies Act, 2013. Thus, the list of Shareholders holding 1.00% or more of the Paid-up Capital of the Company two year prior to the date of this Draft Prospectus is not applicable.*

11. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company one year prior to the date of this Draft Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares (Face value of Rs.10/- each)	Percentage of then Equity Share Capital (%)
1.	Mr. Davinder Arora	4,000	8.00%
2.	Mr. Mohit Arora	30,000	60.00%
3.	Mr. Nohit Arora	15,000	30.00%
	<b>Total</b>	<b>49,000</b>	<b>98.00%</b>

12. Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of 10 (Ten) days prior to the date of this Draft Prospectus:

Sr. No.	Name of the Shareholder	Number of Equity shares (Face value of Rs.10/- each)	Percentage of the pre-Issue Equity Share Capital (%)
1.	Mr. Davinder Arora	4,05,432	11.06%
2.	Mr. Mohit Arora	19,26,126	52.53%
3.	Mr. Nohit Arora	5,84,130	15.93%
4.	Mr. Lalita Rani	3,90,120	10.64%
5.	Mr. Ashray Gupta	2,59,014	7.06%
6.	Ms. Pooja Rani	51,000	1.39
	<b>Total</b>	<b>36,15,822</b>	<b>98.61%</b>

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

**15. Shareholding of our Promoters**

As on the date of this Draft Prospectus, our Promoters holds 68.46% of the pre-issued, subscribed and paid-up Equity Share Capital of our Company. Build-up of the shareholding of our Promoters in our Company since incorporation:

**MR. MOHIT ARORA**

Date of Allotment/ Transfer	Nature of Issue/ Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition/ Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	30,000	30,000	10/-	10/-	0.82%	0.57%
31 <sup>st</sup> March, 2023	Allotment pursuant to the acquisition of M/s Jesus Shirts	Other than cash	59,687	89,687	10/-	80/-	1.63%	1.13%
23 <sup>rd</sup> May, 2023	Bonus Issue	Other than cash	4,48,435	5,38,122	10/-	Nil	12.23%	8.52%
20 <sup>th</sup> June, 2023	Conversion of Loan	Other than cash	1,03,920	6,42,042	10/-	50/-	2.83%	1.97%
27 <sup>th</sup> June, 2023	Bonus Issue	Other than cash	12,84,084	19,26,126	10/-	Nil	35.02%	24.39%
	<b>Total</b>		<b>19,26,126</b>				<b>52.53%</b>	<b>36.58%</b>

Note: None of the Shares has been pledged by our Promoter.

**MR. NOHIT ARORA**

Date of Allotment/ Transfer	Nature of Issue/ Transaction	Nature of Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	FV (Rs.)	Acquisition/ Transfer Price	% of Pre-Issue Equity Share Capital	% of Post Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	15,000	15,000	10/-	10/-	0.41%	0.28%
23 <sup>rd</sup> May, 2023	Bonus Issue	Other than cash	75,000	90,000	10/-	Nil	2.45%	1.71%
20 <sup>th</sup> June, 2023	Conversion of Loan	Other than cash	1,04,710	1,94,710	10/-	50/-	5.31%	3.70%
27 <sup>th</sup> June, 2023	Bonus Issue	Other than cash	3,89,420	5,84,130	10/-	Nil	15.93%	11.09%
	<b>Total</b>		<b>5,84,130</b>				<b>15.93%</b>	<b>11.09%</b>

Note: None of the Shares has been pledged by our Promoter.

**16. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group:**

Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
<b>Promoters</b>				
Mr. Mohit Arora	19,26,126	52.53%	19,26,126	36.58%
Mr. Nohit Arora	5,84,130	15.93%	5,84,130	11.09%
<b>Promoter Group</b>				
Mr. Davinder Arora	4,05,432	11.06%	4,05,432	7.70%

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Category of Promoters	Pre-Issue		Post-Issue	
	No. of Shares	% of Pre-Issue Capital	No. of Shares	% of Post-Issue Capital
Mrs. Sonam Arora	19,170	0.52%	19,170	0.36%
Mrs. Lalita Rani	3,90,120	10.64%	3,90,120	7.41%
<b>Total</b>	<b>33,24,978</b>	<b>90.68%</b>	<b>33,24,978</b>	<b>63.14%</b>

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

S. No.	Name of the Promoters	No of Equity Shares held	Average cost of Acquisition (in Rs.)*
1.	Mr. Mohit Arora	19,26,126	5.33
2.	Mr. Nohit Arora	5,84,130	9.22

\*As certified by M/s. N.K. Mittal & Associates, Chartered Accountants, by way of their certificate dated 25<sup>th</sup> December, 2023.

18. Except as provided below, no Equity Shares were acquired/ purchased/ sold by the Promoters and Promoter Group, Directors and their immediate relatives within six months immediately preceding the date of filing of this Draft Prospectus:

Name of Shareholder	Date of Transaction	Promoter/ Promoter Group/ Director	Numbers of Equity Shares Subscribed to/ Acquired/ Transferred	Number of Equity Shares Sold	Subscribed/ Acquired/ Transferred
Mr. Mohit Arora	31 <sup>st</sup> March, 2023	Promoter and Managing Director	59,687	-	Acquired
	23 <sup>rd</sup> May, 2023		4,48,435	-	Acquired
	20 <sup>th</sup> June, 2023		1,03,920	-	Acquired
	27 <sup>th</sup> June, 2023		12,84,084	-	Acquired
Mr. Davinder Arora	23 <sup>rd</sup> May, 2023	Promoter Group	20,000	-	Acquired
	20 <sup>th</sup> June, 2023		1,11,144	-	Acquired
	27 <sup>th</sup> June, 2023		2,70,288	-	Acquired
Mr. Nohit Arora	23 <sup>rd</sup> May, 2023	Promoter	75,000	-	Acquired
	20 <sup>th</sup> June, 2023		1,04,710	-	Acquired
	27 <sup>th</sup> June, 2023		3,89,420	-	Acquired
Mrs. Sonam Arora	23 <sup>rd</sup> May, 2023	Promoter Group and Non Executive Director	2,000	-	Acquired
	20 <sup>th</sup> June, 2023		3,990	-	Acquired
	27 <sup>th</sup> June, 2023		12,780	-	Acquired
Mrs. Lalita Rani	23 <sup>rd</sup> May, 2023	Promoter Group	2,000	-	Acquired
	20 <sup>th</sup> June, 2023		1,27,640	-	Acquired
	27 <sup>th</sup> June, 2023		2,60,080	-	Acquired

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

Name	Designation	No. of Equity Shares held
Mr. Mohit Arora	Chairman and Managing Director	19,26,126
Mrs. Sonam Arora	Non Executive Director	19,170
Mr. Mohit Arora	Whole Time Director	5,84,130

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

## 21. Promoter’s Contribution and Lock-in details

### Details of Promoter’s Contribution locked-in for three (3) years

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, 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 Promoters hold 25,10,256 Equity Shares constituting 47.67% of the Post Issued, Subscribed and Paid-up Equity Share Capital of our Company, which are eligible for Promoter’s 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 Promoter’s Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter’s Contribution from the date of filing of this Draft Prospectus until the commencement of the lock-in period specified below.

Details of the Equity Shares forming part of Promoter’s Contribution and their lock-in details are as follows:

Name of Promoter	Date of Allotment/Acquisition & when made fully paid up	No of Equity shares	No of Equity shares locked in	Face Value (in Rs.)	Issue Price (in Rs.)	Nature of Allotment	% Of Post-Issue Paid-up Capital	Lock-in Period
Mr. Mohit Arora	27 <sup>th</sup> June, 2023	12,84,084	10,65,000	10	N.A.	Bonus Issue	20.22%	3 Years

No Equity Shares proposed to be locked-in as Minimum Promoter’s Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalization of intangible assets, involved in such transactions.

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

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoter’s Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue is not part of the minimum promoter’s contribution;
- The Equity Shares held by the Promoter and offered for minimum 20% Promoter’s Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent has been obtained from the Promoter for inclusion of 10,65,000 Equity Shares for ensuring lock-in of three years to the extent of minimum 20.22% % of post issue Paid-up Equity Share Capital from the date of allotment in the public Issue.



- The minimum Promoter’s 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.
- We further confirm that our Promoter’s Contribution of minimum 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.

#### **Equity Shares locked-in for one year other than Minimum Promoter’s Contribution**

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

#### **Inscription or recording of non-transferability**

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

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

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by our 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 or its subsidiary(ies) for the purpose of financing one or more of the objects of the issue and pledge of equity shares is one of the terms of sanction of the loan;
- (b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

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

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

- (a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoter/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
  - (b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
22. Neither the Company, nor it’s Promoters, Directors or the Lead Managers have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.

23. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.
24. As on the date of this Draft Prospectus, the Lead Managers and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Managers 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.
25. As on date of this Draft Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.
26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "*Basis of Allotment*" in the chapter titled "*Issue Procedure*" beginning on page 198 of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI ICDR Regulations, as amended from time to time.
27. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Net Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
28. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Managers and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
29. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
30. We have 8 (Eight) Shareholders as on the date of filing of the Draft Prospectus.
31. As per RBI regulations, OCBs are not allowed to participate in this Issue.
32. Our Company has not raised any bridge loans.
33. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.

35. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
36. Our Promoters and Promoter Group will not participate in the Issue.
37. There are no safety net arrangements for this Public Issue.

**SECTION V – PARTICULARS OF THE ISSUE**
**OBJECTS OF THE ISSUE**

The issue Comprise of a fresh Issue of up to 15,99,000 Equity Shares of our Company at an Issue Price of Rs. [●] per Equity Share. We intend to utilize the proceeds of the Issue to meet the following objects: -

Our Company proposes to utilize the net proceeds from the Issue towards funding the following objects and achieve the benefits of listing the equity shares on the BSE SME. We believe that the listing of Equity shares will enhance our brand name and provide liquidity to the existing shareholders. Listing will also provide a public market for the Equity Shares in India.

**Objects of the Fresh Issue**

1. To finance the Capital Expenditure for purchase of Warehouse;
  2. To part finance the requirement of Working Capital;
  3. To meet General corporate purposes;
- (Collectively referred as the “Objects”)

We believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

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

**REQUIREMENT OF FUNDS**

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

(Rs. In Lakhs)

S.No.	Particulars	Amounts
1)	Gross Proceeds	[●]
2)	(Less) Issue related expenses	[●]
3)	<b>Net Proceeds</b>	[●]

**UTILISATION OF NET PROCEEDS**

We intend to utilise the Net Proceeds from the Issue, in the manner set below:

Rs. In Lakhs

S.No.	Particulars	Amounts	% of Gross Proceeds	% of Net Proceeds
1.	To finance the Capital Expenditure for purchase of warehouse	136.00	[●]	[●]
2.	To part finance the requirement of Working Capital	422.00	[●]	[●]
3.	To meet General corporate purposes	[●]	[●]	[●]
	<b>Total</b>	[●]	[●]	<b>100.00</b>

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue

**Means of finance**

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

(Rs. In Lakhs)

S. No.	Particulars	Amounts
1.	Net Issue Proceeds	[•]
	<b>Total</b>	<b>[•]</b>

**Schedule of implementation/ Utilization of Issue Proceeds**

Our Company proposes to deploy the Net Proceeds in the aforesaid objects as follows:

(Rs. In Lakhs)

Sr. No.	Particulars	Amount Proposed to be Deployed from Net Proceeds	Estimated Schedule of Deployment of Net Proceeds	
			FY 2023-24	FY 2024-25
1.	To finance the Capital Expenditure for purchase of warehouse.	136.00	136.00	-
2.	To part finance the requirement of Working Capital.	422.00	[•]	[•]
3.	To meet General corporate purposes.	[•]	[•]	[•]
	<b>Total</b>	<b>[•]</b>	<b>[•]</b>	<b>[•]</b>

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

**We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirements under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).**

**The fund requirement and deployment is based on internal management estimates and our Company's current business plan and is subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy. These estimates have not been appraised by any bank or financial institution.**

Any amount, deployed by our Company out of internal accruals towards the aforementioned objects till the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

As we operate in competitive environment, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the objects. For further details on the risks involved in our business plans and executing

our business strategies, please see the section titled “Risk Factors” beginning on page 28 of this Draft Prospectus.

## DETAILS OF THE OBJECTS

The details of the objects of the Issue are set out below:

### 1. TO FINANCE THE CAPITAL EXPENDITURE FOR PURCHASE OF WAREHOUSE.

Our Company is engaged in Manufacturing of readymade garments and distribution of large size FMCG Companies in India for whom we distribute Branded packaged FMCG products. Currently, our FMCG warehouse is situated at Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001, our company has consumer presence at Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh. We intend to increase our revenue by expending our existing consumer base and adding more consumer by establishing more footprints in other high populated states to expand our geographical presence and enter the large domestic market for growth opportunities of our business where we can reach to large no of consumers.

Accordingly, our Company proposed to set up a warehouse with an aggregate built-up area of approximately 8,500 square feet, to be undertaken over the course of Financial Years 2023-24.

We expect to benefit from the set-up and operation of warehouse by our Company in new state by contributing to our organic growth, increased efficiency and reduction of time in delivery of products to our end customers and the expansion of our business into new geographical region having connectivity with near states with large populations whereby our revenue will increase by connecting with large no of new consumers.

#### Details of Capital Expenditure for setting up of new warehouse

The capital expenditure for setting-up of new warehouses primarily comprises of the following:

- Acquisition of a warehouse Land;
- Warehouse shed;
- Office infrastructure;
- Electrical infrastructure;
- Safety, security and other infrastructure

We have identified a warehouse Land situated at Neemrana at No. 214, Khasra No. 408, 409, 410 & 411, total kita 04, total rakba 1.20 for setting up of warehouse. Our company has entered into a Memorandum of Understanding (MOU) dated 7<sup>th</sup> December, 2023 with Mr. Pawan Kumar, seller.

Our Company proposes to utilise upto Rs. 136.00 lakhs towards Capital expenditure for setting up of warehouse as per following details:

Particulars	Amount in Rs. Lakhs
Land Cost of 8,503 Square Feet having rate of Rs. 1,100 per Square Feet	93.53
<b>Cost of Setting up the warehouse as per following details:</b>	
<b>Warehouse Shed:</b>	
Supply of PEB Shed with roof and wall sheet, polycarbonate sheet.	7.25
General Civil work on walls for fixing up of warehouse shed, flooring 5525*220 per square feet	12.15
Civil work outer development 2978*150 per square feet	4.45

<b>Particulars</b>	<b>Amount in Rs. Lakhs</b>
Print Specification: One coat of Primar + 2 coat of Enamel paint (Brush/Spray Pain)	1.75
Ancillary work	1.25
Plumbing work, water tank and pump room.	2.25
<b>Office infrastructure including Aluminium partitions:</b>	
Installation of Furniture and Fixtures	1.25
Cost of Aluminium glass and partition walls	1.50
<b>Electrical infrastructure including Electrical works and Air conditioning</b>	
Setting up of Turbo ventilations: 6 Turbos	0.50
Air conditioning work	0.90
Light Fixtures	0.80
<b>Safety, security and other infrastructure including Fire Extinguishers &amp; CCTV System</b>	
Fire Lighting system	1.50
CCTV System	0.30
<b>Total Estimated Cost</b>	<b>129.38</b>
<b>Total Estimated Cost (Lumpsum)</b>	<b>129.00</b>
Stamp Duty, Processing Charges and other charges etc. <i>(Amount of Stamp Duty, Processing Charges and other charges etc. is based upon the management estimates)</i>	7.00
Applicable GST@18%	6.38
<b>Total Cost</b>	<b>142.38</b>
<b>Amount to be utilised from Issue proceeds</b>	<b>136.00</b>
<b>Amount to be met from internal accruals</b>	<b>6.38</b>

We have identified a warehouse Land situated at Neemrana at No. 214, Khasra No. 408, 409, 410 & 411, total kita 04, total rakba 1.20 and has entered into a Memorandum of Understanding (MOU) dated 7<sup>th</sup> December, 2023 with Mr. Pawan Kumar. Following are the details of such MOU:

<b>Location with area</b>	<b>Seller</b>	<b>Consideration (Amount in Rs. Lakhs)</b>
No. 214, Khasra No. 408, 409, 410 & 411, total kita 04, total rakba 1.20, Neemrana, Rajasthan.  Area: 8,503 Square Feet having rate of Rs. 1,100 per Square Feet	Mr. Pawan Kumar, resident of tehsil buhana, Jila, Jhunjunu, Rajasthan.	Rs. 93.53 Lakhs  <i>(Our Company has already given an advanced amount of Rs. 2 Lakhs on 7<sup>th</sup> December, 2023)</i>

Our company has therefore entered into a MOU dated 7<sup>th</sup> December, 2023 and has paid a sum of Rs. 2.00 Lakhs at the time of the execution of the MoU, and balance amount is pending as on date of this Draft Prospectus, accordingly we propose to pay Rs. 93.53 Lakhs out of Net issue proceeds.

For the construction of warehouse to be established, Our Company has obtained a quotation from M/s. The Walnut Infratech Private Limited dated 7<sup>th</sup> December, 2023 for cost of setting up of Warehouse at above land for carrying out Infrastructure works, Electrical works of the warehouse.

The quotation is valid for a period of 90 days. However, we have not entered into any definitive agreements with the vendor. There can be no assurance that above mentioned vendor/ contractor will be engaged to eventually provide their services for the warehouse. If we engage someone other than above mentioned vendor/ contractor then such other contractor's estimates and actual costs for the services may differ from the current estimates. Our Promoters, Directors and KMPs have no interest in the proposed work.

## 2. TO PART FINANCE WORKING CAPITAL REQUIREMENTS OF THE COMPANY.

Our Business is a working capital-intensive industry. The expansion of existing operations of our Company will in turn lead to the increase in the requirement of working capital. We have to give advance payment to our suppliers to procure the goods and Raw material for manufacturing of readymade garments. Also, some of the vendors for FMCG products ask for security deposits which increases the requirement of working capital. As we intend to increase our sales volume by expansion of existing business over the years for which we would be required to provide extended credit period to our customers, add more customers, but the credit period that we avail from our suppliers shall not increase substantially. This would require us to have adequate working capital to ensure a smooth and uninterrupted flow of our business operations for future growth. Accordingly, we expect a further increase in the working capital requirements in view of current and potential business operations that we may undertake. Accordingly, we have proposed to use upto Rs. [●] Lakhs out of the issue proceeds to meet the increase in working capital requirements.

### Existing Working Capital:

Our Company's existing working capital based on the Restated Financial Information is stated below:

(Rs. In Lakhs)

Particulars	31-Mar-23
	Audited
<b>Current Assets</b>	
Inventories	117.82
Trade receivables	201.82
Short Term Loans & Advances and Other Current Assets	54.40
Cash & Bank and Security Deposits	70.56
<b>Total</b>	<b>444.60</b>
<b>Current Liabilities</b>	
Trade payable	177.11
Other current liabilities	3.48
Short-term provisions	37.79
<b>Total</b>	<b>218.38</b>
Working Capital Gap	<b>226.22</b>
Internal Accruals and borrowings	226.22

Note: Internal Accruals includes Paid up equity share capital and Reserves & Surplus of the Company.

### Future Working Capital Requirements

Our Company proposes to utilize upto Rs. 422.00 Lakhs of the Net Proceeds to meet its estimated working capital requirements. This will be utilized towards our Company's working capital requirements. The balance portion of our Company working capital requirement shall be met from the internal accruals, own funds and/or unsecured loan. The working capital requirement for the FY 2023-24 and FY 2024-25 is expected to be Rs. 553.96 Lakhs and Rs. 947.46 Lakhs in order to achieve our revenue targets for the FY 2023-24 and FY 2024-25. Our Company's expected working capital requirements for FY 2023-24 and FY 2024-25 and the proposed funding of such working capital requirements are as set out in the table below:

(Rs. in Lakhs)

Particulars	31-Mar-24	31-Mar-25
	Estimated	Estimated
<b>Current Assets</b>		
Inventories	311.09	495.20
Trade receivables	474.23	780.25



Particulars	31-Mar-24	31-Mar-25
	Estimated	Estimated
Short Term Loans & Advances and Other Current Assets	63.78	188.78
Cash and Bank	53.82	99.57
<b>Current Assets</b>	<b>902.92</b>	<b>1,563.80</b>
<b>Current Liabilities</b>		
Trade payable	238.39	520.20
Other current liabilities	16.16	11.16
Short-term provisions	94.41	84.97
<b>Total</b>	<b>348.96</b>	<b>616.33</b>
Working Capital Gap	553.96	947.46
<b>Proposed Working Capital to be funded from IPO</b>	<b>[•]</b>	<b>[•]</b>
Funded through Internal Accruals, Other loans and Equity	[•]	[•]

**Justification & assumptions for holding period**
**Assumptions for Holding Levels**

Particulars	March 31, 2023	March 31, 2024	March 31, 2025
Inventories (Days)	101	79	80
Trade Receivables (Days)	147	84	84
Trade Payables (Days)	132	69	69

The working capital projections made by the Company are based on certain key assumptions, as set out below:

**Justification for holding period levels**

<b>Inventories</b>	In order to achieve large volume, facilitating delivery on call and migrating to next orbit of growth, we need to maintain higher inventory levels. Further we have to maintain inventory for each of our supplier for whom we distribute the products so more the supplier, inventory will increase. The range of inventory holding period is 101 days in F.Y 2022-23. We expect the inventory holding period to 79 days in F.Y 2023-24- and 80-days F.Y 2024-25 indicates that Company expects to maintain the strict Inventory maintenance policy. Further to ensure adequate availability of the products to meet our growth requirements and to cater to more companies and customers, we may need to maintain higher inventory in future.
<b>Trade Receivables</b>	Trade receivables are the amount owed to the Company by customers following sale of goods on credit. Our Trade Receivables days for FY 2022-23 are 147 days. Our Company has estimated average trade receivable cycle to be 84 days for FY 2023-24 & FY 2024-25 respectively. Our trade receivables may be increased to aim higher revenue with our efforts to penetrate new customers and attract more orders, Company will be required to offer enhanced more credit that will encourage our customers to have a long-term business relation with us.
<b>Trade Payables</b>	We to negotiate favourable terms with the supplier, enabling better working capital management. In line with increase in business operations there will be consequent increase in trade payables on account of increase in purchases. This increase in payables is necessary to accommodate the larger volume of purchases required to support the business growth.

	The Company Trade Payable is 132 days in FY 2022-23. The Company is expecting to keep Trade Payable days in FY 23-24 to 107 days & in FY 2024-25 to 69 days consequent to increase in payables on account of overall business operations.
<b>Short-Term Loans &amp; Advances</b>	In routine business, Company has to make various short-term advances for the material and other third- party services to be used during the business operations. Accordingly, in line with increase in business operations, there will be need to purchase materials and goods by making advance payments, thereby there will be increase in short term loan and advances.
<b>Other Current Liabilities</b>	We have reserved some fund for the purpose of paying daily expenses, operation cost for maintenance, duties & taxes and other statutory dues.
<b>Short term Provision</b>	Short term provisions enable us to set aside funds to address any potential defects, recalls, or issues related to products etc, this help us to minimize downtime and losses. Since business is growing, we have allocated reserve fund for liabilities related to taxes, and other such regulatory compliances.

The working capital requirement for the FY 2023-24 and FY 2024-25 is expected to be Rs. 553.96 Lakhs and Rs. 947.46 Lakhs in order to achieve our revenue targets for the FY 2023-24 and FY 2024-25. As on date of this Draft Prospectus, our company has consumer presence at Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh. As we are exploring opportunities in various other parts of India where it can supply its products to enhance its geographic reach. We intend to increase our revenue by expanding our existing consumer base and adding more consumer by establishing more footprints in other high populated states to expand our geographical presence and enter the large domestic market for growth opportunities of our business where we can reach to large no of consumers. Accordingly, We believe that funding our working capital requirements from the Issue Proceeds will lead to a consequent increase in our profitability.

*As certified by M/s. N.K. Mittal & Associates, Chartered Accountants via its certificate dated 25<sup>th</sup> December, 2023.*

### **3. TO FINANCE THE GENERAL CORPORATE PURPOSE.**

The Net Proceeds will first be utilized towards the Objects set out above, as well as meeting the Issue-related expenses. Subject to this, our Company intends to deploy any balance left out of the Net Proceeds of Rs. [●] Lakhs towards general corporate purposes and the business requirements of our Company, as approved by our management, from time to time. We confirm that utilization for general corporate purposes will not exceed 25% of the Gross Proceeds of the Issue, in compliance with the SEBI ICDR Regulations.

Such general corporate purposes may include, but are not restricted to, the following:

- Strategic initiatives, including investments or acquisitions, from time to time;
- Brand building, promotional and outreach activities;
- Strengthening our infrastructure and systems and processes, in-house training initiatives, etc.;
- Repayment of present or future loans;
- Pre-operative and preliminary expenses;
- Provision for Contingencies; and
- Ongoing general corporate purposes or exigencies, as approved by the Board, subject to compliance with applicable law.

The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time.

#### 4. ISSUE RELATED EXPENSES

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakhs.

Particulars	Amount (Rs. in Lakhs)*	% of Total Issue Expenses	% of Total Issue Size
Issue management fees, Underwriting Fees selling commissions, brokerages, Payment to other intermediaries such as Legal Advisors, Registrars etc.	[●]	[●]	[●]
Printing & Stationery, Distribution, Postage, etc.	[●]	[●]	[●]
Advertisement & Marketing Expenses	[●]	[●]	[●]
Regulatory & other expenses	[●]	[●]	[●]
<b>Total</b>	[●]	[●]	[●]

\*Excluding of GST and other applicable taxes.

#### Details of funds already deployed till date and sources of funds deployed

The funds deployed up to 30<sup>th</sup> November, 2023 pursuant to the object of this Issue as certified by the Auditors of our Company, viz M/s. Sharma Sharma & Co., Chartered Accountants pursuant to their certificate dated 25<sup>th</sup> December, 2023 is given below:

Deployment of funds	Amount (Rs. In Lakhs)
Issue Related Expenses	3.25
<b>Total</b>	<b>3.25</b>

Sources of funds	Amount (Rs. In Lakhs)
Internal Accruals	3.25
Bank Finance	-
<b>Total</b>	<b>3.25</b>

#### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may borrow such amounts, as may be required, from other lenders until the completion of the Issue. Further, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue. Any amount that is borrowed from lenders or drawn down from the overdraft arrangement / cash credit facility during this period to finance additional working capital needs will be repaid from the Net Proceeds of the Issue.

#### APPRAISAL BY APPRAISING AGENCY

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

## **INTERIM USE OF FUNDS**

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

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

## **MONITORING UTILIZATION OF FUNDS**

As the size of the Issue does not exceed Rs. 10,000 Lakhs, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

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

## **CONFIRMATION REGARDING PURCHASE OF SECOND-HAND EQUIPMENT AND MACHINERY**

No second-hand equipment and machinery is proposed to be purchased by our Company from the Net Proceeds.

## **OTHER CONFIRMATIONS**

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

## **VARIATION IN OBJECTS**

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

## BASIS FOR ISSUE PRICE

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 28, 158, 161 and 107 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

### QUALITATIVE FACTORS

Some of the qualitative factors and our strengths which form the basis for the issue price are:

- Experienced Management team having domain knowledge to scale up and expand into new opportunities
- Diversified revenue sources and customer base;
- Smooth flow of operations;
- Customer oriented approach;
- Infrastructural Strength;

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please see chapter titled “Our Business” beginning on page 107 of this Draft Prospectus.

### QUANTITATIVE FACTORS

Information presented below is derived from our Company’s Restated Financial Statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

Investors should evaluate our Company taking into consideration its niche business segment and other qualitative factors in addition to the quantitative factors. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”) as per AS 20

As per Restated Financial Statements

Particulars	Basic & Diluted EPS (in Rs.)	Weights
March 31, 2023	51.62	1
<b>Weighted Average</b>	<b>51.62</b>	
<b>Period ended 30<sup>th</sup> November, 2023</b>	<b>3.41</b>	

*Note: The earnings per share have been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs.10/-.*

#### 2. Price Earnings Ratio (“P/E”) in relation to the Issue Price of Rs. [●] per share of Rs. 10/- each fully paid-up

Particulars	P/E (number of times)
<b>Based on Restated Financial Statements</b>	
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2022-23	51.62
P/E ratio based on the Weighted Average Basic & Diluted EPS	<b>51.62</b>

*Note: The P/E ratio has been computed by dividing Issue Price with EPS.*

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

### 3. Return on Net worth (RoNW)

Particulars	RoNW (%)	Weights
March 31, 2023	51.76%	1
<b>Weighted Average</b>	<b>51.76%</b>	
<b>Period ended 30<sup>th</sup> November, 2023</b>	<b>23.26%</b>	

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

### 4. Net Asset Value (NAV)

Financial Year	NAV (Rs.)
March 31, 2023	99.71
<b>Period ended 30<sup>th</sup> November, 2023</b>	<b>14.65</b>
Issue Price	[●]
Net Asset Value per Equity Share after the Issue	[●]

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

### 5. Comparison with Industry Peers

Name of Company	CMP	Face Value (Rs.)	Basic EPS (Rs.)	PE Ratio (times)	RoNW (%)	NAV per Share (Rs.)
Davin Sons Retail Limited <i>(based upon Audited financials for FY 2022-23)</i>	[●]	10.00	51.62	[●]	51.76%	99.71
Davin Sons Retail Limited <i>(based upon Audited financials for the period ended 30<sup>th</sup> November, 2023)</i>	[●]	10.00	3.41	[●]	23.26%	14.65

\* CMP for our Company is considered as Issue Price.

*Source: Information of our company is based on restated financial information.*

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

#### Notes:

1. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
2. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
3. The face value of Equity Shares of our Company is Rs. 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

*The Issue Price of Rs. [●]/- is determined by our Company in consultation with the Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled Risk Factors ” and chapters titled “ Our Business ” and “Restated Financial Information ” beginning on page nos. 28, 107 and 158 respectively of this Draft Prospectus.*

## 6. Key Operational and Financial Performance Indicators:

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated 25<sup>th</sup> December, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by M/s. Sharma Sharma & Co., Chartered Accountants, by their certificate dated 25<sup>th</sup> December, 2023.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 107 and 161, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1.

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

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

### Financials KPIs of our Company

(Amount in Lakhs, except for percentage)

Particulars	For the Period ended on	
	30.11.2023	31.03. 2023
Revenue from operations	1090.75	383.14
Total Income	1090.75	391.33
EBITDA	166.57	69.04
EBITDA margin (%)	15.27%	18.02%
PAT	118.66	56.62
PAT Margin (%)	10.88%	14.78%
ROE (%)	38.31%	51.77%*
ROCE (%)	42.84%	31.21**
EPS (Basic & Diluted)	3.41	51.62

Source: The Figure has been certified by our Peer review auditors M/s. Sharma Sharma & Co; Chartered Accountants vide their certificate dated 25<sup>th</sup> December, 2023.

\*as a percentage of profit for the year divided by the total equity during that period;

\*\*as a percentage of earnings before interest and taxes divided by capital employed during that period.

#### Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

- ii. EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses minus other Income.
- iii. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- iv. Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.
- v. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- vi. RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- vii. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Equity Shares, Reserves and surplus, deferred tax liability, Long-Term Borrowing, Short-Term Borrowing and Deferred Tax Liability/(Asset).

**Explanation for KPI metrics**

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total income	Total income is used by the management to track revenue from operations and other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

**Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company**

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.



**7. Details of comparison of key performance of indicators with our listed industry peers:**

We are mainly engaged in business of manufacturing of readymade garments and distributorship of FMCG products and there is no listed peer group company which are strictly comparable to us with respect to the industry and business segment in which we operate and the size of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

**8. Weighted average cost of acquisition**

- a) The price per share of our Company based on the primary/ new issue of shares (Equity Shares)

The details of the Equity Shares other than Equity Shares issued pursuant to a bonus issue on 23<sup>rd</sup> May, 2023 and 27<sup>th</sup> June, 2023, during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days (“Primary Issuance”) are as follows:

Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (in Rs.)	Issue Price per Equity Share (in Rs.)	Nature of Allotment	Total Consideration (in Rs. lakhs)
20 <sup>th</sup> June, 2023	5,64,142	10/-	50/-	Conversion of loan	282.07
<b>Weighted average cost of acquisition (WACA)</b>					<b>50.00</b>

- b) The price per share of our Company based on the secondary sale / acquisition of shares (Equity Shares)

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

- c) Since there are transactions to report to under (a) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is not applicable.
- d) Weighted average cost of acquisition on issue price

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Issue price (i.e. Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph a above.	50.00	[●] times
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph b above.	N.A.	N.A.
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	N.A.	N.A.

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*Davin Sons Retail Limited – Draft Prospectus*

*\*\* There were no secondary sales / acquisition of shares of shares (Equity/ convertible securities) (excluding gifts) which is equal to or more than 5% of the fully diluted paid up share capital of the Company in last 18 months from the date of this Draft Prospectus.*

The face value of our share is Rs.10/- per share and the Issue Price is of Rs. [●] per share are [●] times of the face value.

Our Company in consultation with the Lead Managers believes that the Issue Price of Rs. [●] per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page 28 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page 158 of this Draft Prospectus.

**STATEMENT OF POSSIBLE TAX BENEFITS**

To,  
The Board of Directors,  
Davin Sons Retail Limited  
609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL  
110034

**Sub: Statement of Possible Special Tax Benefits Available to the Company and its shareholders prepared in accordance with the requirements of Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“The Regulation”)**

We hereby report that the enclosed annexure prepared by Davin Sons Retail Limited, states the possible special tax benefits available to Davin Sons Retail Limited ("the Company") and the shareholders of the Company under the Income Tax Act, 1961 ("Act"), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the 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 the business imperatives, the Company may or may not choose to fulfil. The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and shareholders do not cover any general tax benefits available to the Company Further, the preparation of enclosed statement and the contents stated therein is the responsibility of the Company's management. We are informed that, this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares ("the Offer") by the Company.

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

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

The contents of the enclosed statement 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. Our views are based on facts and assumptions indicated to us and the existing provisions of tax law and its interpretations, which are subject to change or modification from time to time by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retrospective, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein. This report including enclosed annexure are intended solely for your information and for the inclusion in the Draft Prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Sharma Sharma & Co.**  
**Chartered Accountants**  
Sd/-  
**CA Suvir Sharma**  
**Partner**  
**Membership No. 088272**  
**FRN No.009462N**  
**Place: Delhi**  
**Date: 25<sup>th</sup> December, 2023**  
**UDIN: 23088272BGXAP08370**

**ANNEXURE 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 Income Tax Act, 1961 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 Act.

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

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

Note:

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

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

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

## SECTION VI – ABOUT THE COMPANY

## INDUSTRY OVERVIEW

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

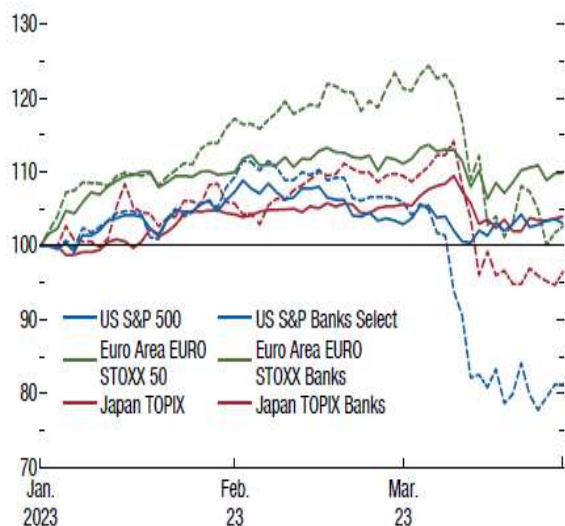
## WORLD ECONOMIC OUTLOOK - GLOBAL PROSPECTS AND POLICIES

The global economy is yet again at a highly uncertain moment, with the cumulative effects of the past three years of adverse shocks—most notably, the COVID-19 pandemic and Russia’s invasion of Ukraine—manifesting in unforeseen ways. Spurred by pent-up demand, lingering supply disruptions, and commodity price spikes, inflation reached multidecade highs last year in many economies, leading central banks to tighten aggressively to bring it back toward their targets and keep inflation expectations anchored.

Although telegraphed by central banks, the rapid rise in interest rates and anticipated slowing of economic activity to put inflation on a downward path have, together with supervisory and regulatory gaps and the materialization of bank-specific risks, contributed to stresses in parts of the financial system, raising financial stability concerns. Banks’ generally strong liquidity and capital positions suggested that they would be able to absorb the effects of monetary policy tightening and adapt smoothly. However, some financial institutions with business models that relied heavily on a continuation of the extremely low nominal interest rates of the past years have come under acute stress, as they have proved either unprepared or unable to adjust to the fast pace of rate rises.

The unexpected failures of two specialized regional banks in the United States in mid-March 2023 and the collapse of confidence in Credit Suisse—a globally significant bank—have roiled financial markets, with bank depositors and investors reevaluating the safety of their holdings and shifting away from institutions and investments perceived as vulnerable. The loss of confidence in Credit Suisse resulted in a brokered takeover. Broad equity indices across major markets have fallen below their levels prior to the turmoil, but bank equities have come under extreme pressure (Figure 1.1). Despite strong policy actions to support the banking sector and reassure markets, some depositors and investors have become highly sensitive to any news, as they struggle to discern the breadth of vulnerabilities across banks and nonbank financial institutions and their implications for the likely near-term path of the economy. Financial conditions have tightened, which is likely to entail lower lending and activity if they persist (see also Chapter 1 of the April 2023 *Global Financial Stability Report*).

**Figure 1.1. Broad Equity and Bank Equity Indices for Selected Major Economies**  
 (Index; January 1, 2023 = 100)

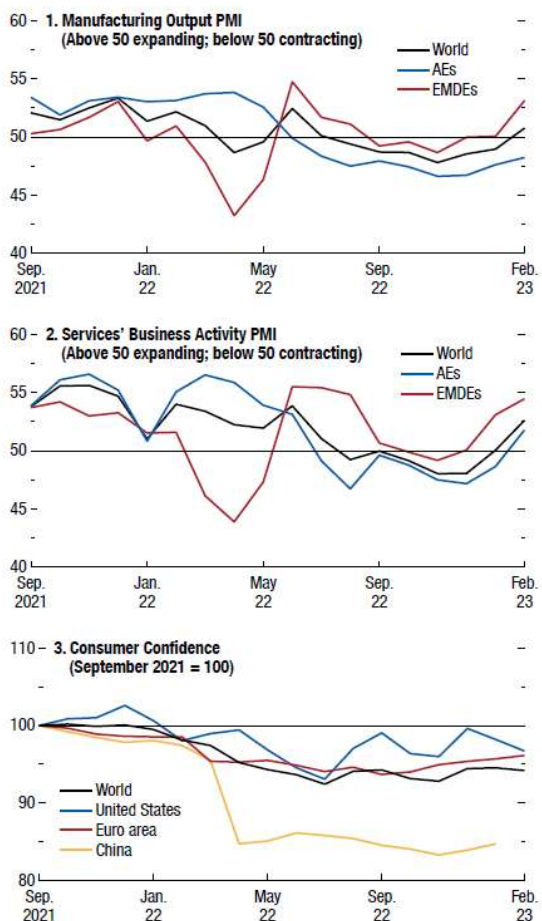


Sources: Bloomberg Finance L.P.; and IMF staff calculations.  
 Note: Latest data available are for March 28, 2023.

Prior to recent financial sector ructions, activity in the world economy had shown nascent signs of stabilizing in early 2023 after the adverse shocks of last year (Figure 1.2, panels 1 and 2). Russia’s invasion of Ukraine and the ongoing war caused severe commodity and energy price shocks and trade disruptions, provoking the beginning of a significant reorientation and adjustment across many economies. More contagious COVID-19 strains emerged and spread widely. Outbreaks particularly affected activity in economies in which populations had lower levels of immunity and in which strict lockdowns were implemented, such as in China. Although these developments imperiled the recovery, activity in many economies turned out better than expected in the second half of 2022, typically reflecting stronger-than-anticipated domestic conditions. Labor markets in advanced economies – most notably, the United States – have stayed very strong, with unemployment rates historically low. Even so, confidence remains depressed across all regions compared with where it was at the beginning of 2022, before Russia invaded Ukraine and the resurgence of COVID-19 in the second quarter (Figure 1.2, panel 3).

With the recent increase in financial market volatility and multiple indicators pointing in different directions, the fog around the world economic outlook has thickened. Uncertainty is high, and the balance of risks has shifted firmly to the downside so long as the financial sector remains unsettled. The major forces that affected the world in 2022 – central banks’ tight monetary stances to allay inflation, limited fiscal buffers to absorb shocks amid historically high debt levels, commodity price spikes and geoeconomic fragmentation with Russia’s war in Ukraine, and China’s economic reopening – seem likely to continue into 2023. But these forces are now overlaid by and interacting with new financial stability concerns. A hard landing – particularly for advanced economies – has become a much larger risk. Policymakers may face difficult trade-offs to bring sticky inflation down and maintain growth while also preserving financial stability.

**Figure 1.2. Early 2023 Activity Indicators Strengthened but Confidence Remained Depressed (Indices)**



Sources: Haver Analytics; IHS Markit; and IMF staff calculations.  
 Note: For AEs in panel 1, sample comprises AUS, AUT, CAN, CHE, DEU, DNK, ESP, FRA, GBR, GRC, ITA, IRL, JPN, NLD, NZL, and USA. Contribution to AE manufacturing GVA is used as weights. For EMDEs in panel 1, sample comprises ARE, BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, TUR, VNM, and ZAF. For AEs in panel 2, sample comprises AUS, DEU, ESP, FRA, GBR, ITA, IRL, JPN, NZL, and USA. Contribution to AE services GVA is used as weights. For EMDEs in panel 2, sample comprises BRA, CHN, CZE, COL, EGY, GHA, IND, IDN, KEN, LBN, MYS, MEX, NGA, PHL, POL, RUS, SAU, THA, TUR, VNM, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies; GVA = gross value added. PMI = purchasing managers’ index.

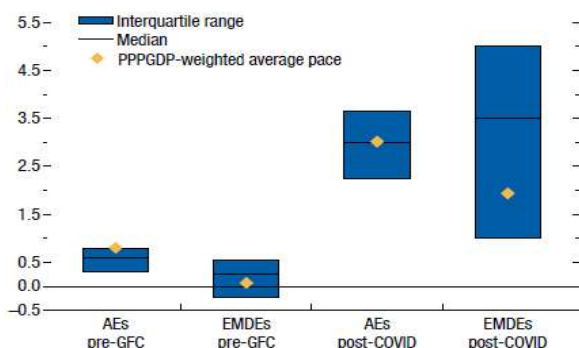
### Inflation Is Declining with Rapid Rate Rises but Remains Elevated amid Financial Sector Stress

Global headline inflation has been declining since mid-2022 at a three-month seasonally adjusted annualized rate (Figure 1.3). A fall in fuel and energy commodity prices, particularly for the United States, euro area, and Latin America, has contributed to this decline (see Figure 1.SF.1). To dampen demand and reduce underlying (core) inflation, the lion’s share of central banks around the world have been raising interest rates since 2021, both at a faster pace and in a more synchronous manner than in the previous global monetary tightening episode just before the global financial crisis (Figure 1.4). This more restrictive monetary policy has started to show up in a slowdown in new home construction in many countries (see Box 1.1). Inflation excluding volatile food and energy prices has been declining at a three-month rate – although at a slower pace than headline

inflation—in most (though not all) major economies since mid-2022. Even so, both headline and core inflation rates remain at about double their pre-2021 levels on average and far above target among almost all inflation-targeting countries. Moreover, differences across economies reflect

**Figure 1.4. Monetary Policy Tightening Rapidly across Many Economies**

(Percentage point change a year by episode, distribution by economy group)



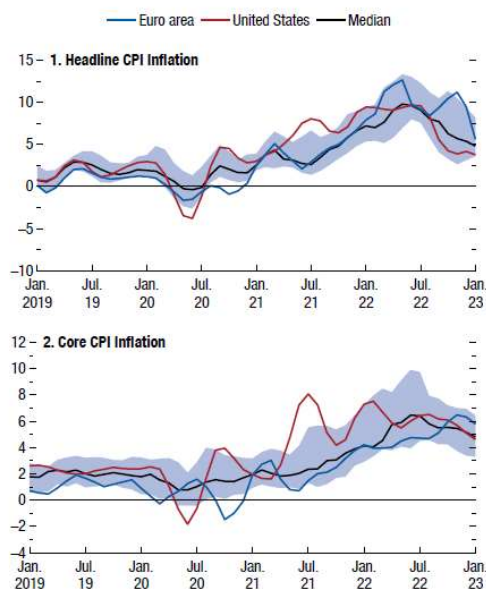
Sources: Haver Analytics; and IMF staff calculations.

Note: The figure shows the distribution (25th to 75th percentiles, median, and weighted average) of the annualized average percentage point change in policy rates by economy group over two episodes: May 2004 to July 2007 (pre-GFC) and Jan. 2022 to Jan. 2023 (post-COVID). AEs = advanced economies; EMDEs = emerging market and developing economies; GFC = global financial crisis; PPPGDP = nominal gross domestic product in purchasing-power-parity international dollars.

their varying exposure to underlying shocks. For example, headline inflation is running at nearly 7 percent (year over year) in the euro area – with some member states seeing rates near 15 percent—and above 10 percent in the United Kingdom, leaving household budgets stretched. The effects of earlier cost shocks and historically tight labor markets are also translating into more persistent underlying price pressures and stickier inflation. The labor market tightness in part reflects a slow post-pandemic recovery in labor supply, with, in particular, fewer older workers participating in the labor force (Duval and others 2022). The ratios of job openings to the number of people unemployed in the United States and the euro area at the end of 2022 were at their highest levels in decades (Figure 1.5). At the same time, the cost pressures from wages have so far remained contained despite the tightness of labor markets, with no signs of a wage-price spiral dynamic—in which both wages and prices accelerate in tandem for a sustained period—taking hold. In fact, real wage growth in advanced economies has been lower than it was at the end of 2021, unlike what took place in most of the earlier historical episodes with circumstances similar to those prevailing in 2021, when prices were accelerating and real wage growth was declining, on average (Figure 1.6).

Inflation expectations have so far remained anchored, with professional forecasters maintaining their five-year-ahead projected inflation rates near their pre-pandemic levels (Figure 1.7). To ensure this remains the case, major

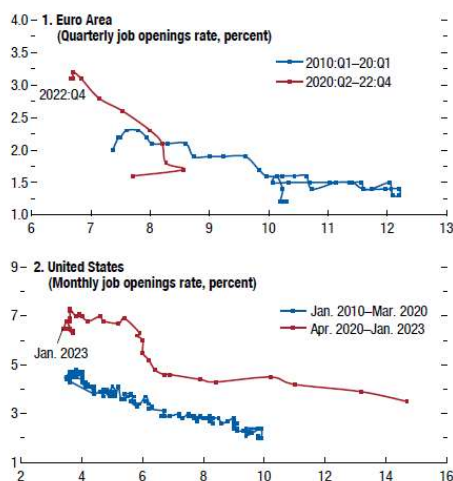
**Figure 1.3. Inflation Turning Down or Plateauing?**  
(Percent, three-month moving average; SAAR)



Sources: Haver Analytics; and IMF staff calculations.

Note: The figure shows the distribution of headline and core CPI inflation developments across 18 advanced economies and 17 emerging market and developing economies. Core inflation is the percent change in the consumer price index for goods and services, but excluding food and energy (or the closest available measure). For the euro area (and other European economies for which data are available), energy, food, alcohol, and tobacco are excluded. The shaded band depicts the 25th to the 75th percentiles of the cross-economy distribution of the indicated inflation measure. The 35 economies in the sample for the figure account for about 81 percent of 2022 world output. CPI = consumer price index; SAAR = seasonally adjusted annualized rate.

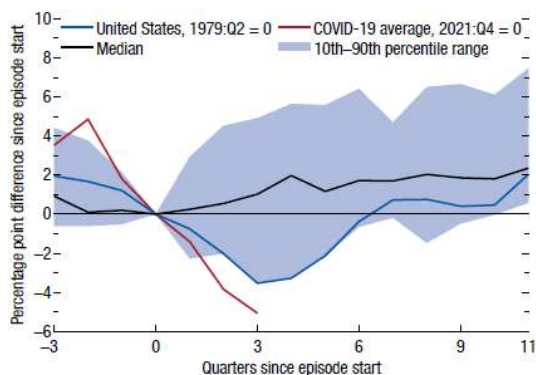
**Figure 1.5. Labor Markets Have Tightened in Selected Advanced Economies**



Sources: Eurostat; US Bureau of Labor Statistics; and IMF staff calculations.

Note: The figure shows the evolution of the Beveridge curve in the indicated economy, before and after the start of the COVID-19 pandemic. The relationship describes how the job openings rate (vacancies as a proportion of employment plus vacancies, y-axis) varies with the unemployment rate (number of unemployed as a proportion of the labor force, x-axis). Curves that are farther out from the origin may indicate greater labor market frictions. Labor markets are tight when the unemployment rate is low and the job openings rate is high.

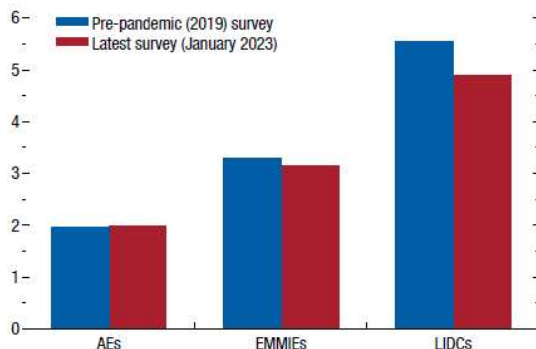
**Figure 1.6. Wage-Price Spiral Risks Appear Contained So Far**  
 (Distribution of real wage growth across historical episodes similar to today)



Sources: International Labour Organization; Organisation for Economic Co-operation and Development; US Bureau of Economic Analysis; and IMF staff calculations.

Note: The figure shows the evolution over time of historical episodes similar to 2021 in which three of the preceding four quarters had (1) rising price inflation, (2) falling real wages, and (3) stable or falling unemployment. Twenty-two such episodes are identified for a sample of 30 advanced economies from 1960 to 2021. See Chapter 2 of the October 2022 *World Economic Outlook* for more details. The COVID-19 line shows the average behavior for economies in the sample starting in 2021:Q4.

**Figure 1.7. Anchored Inflation Expectations**  
 (Percent, average five-year-ahead CPI inflation expectations)



Sources: Consensus Economics; and IMF staff calculations.

Note: The figure shows the average five-year-ahead inflation expectation for the indicated economy group from the indicated survey vintage. The sample covers economies in the indicated economy group for which Consensus Economics surveys are available. The pre-pandemic survey is from long-term consensus forecasts in 2019. AEs = advanced economies; CPI = consumer price index; EMMIEs = emerging market and middle-income economies; LIDCs = low-income developing countries.

will stay higher for longer than previously expected to address sticky inflation. As of early 2023, however, financial markets anticipated that less policy tightening would be needed than central banks suggested, leading to a divergence that raised the risks for a significant market repricing. This is most clearly evident in the case of the United States (Figure 1.8, blue versus dashed black lines). A repricing materialized in early March, with the market-implied policy path shifting up to close much of the gap with the Federal Reserve’s announced expected policy path as markets responded to news about inflation (Figure 1.8, green line). But recent financial sector turbulence and the associated tightening of credit conditions have pushed the market-implied policy rate path back down, reopening the gap in the United States (Figure 1.8, red line). This may reflect in part the emergence of liquidity and safety premiums in response to financial market volatility rather than pure policy expectations. Nevertheless, the risks to financial markets from sudden repricing due to policy rate expectation changes – also highlighted in the January 2023 *World Economic Outlook (WEO) Update* – remain highly relevant (see also Chapter 1 of the April 2023 *Global Financial Stability Report*).

central banks have generally stayed firm in their communications about the need for a restrictive monetary policy stance, signaling that interest rates

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>)

## INDIAN ECONOMIC OVERVIEW

### Introduction

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

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure

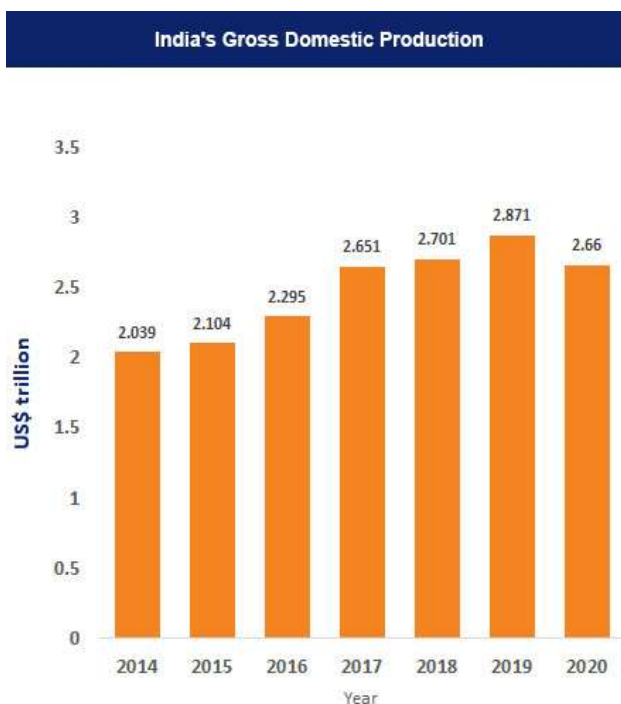


and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The contact-based services sector has largely demonstrated promise to boost growth by unleashing the pent-up demand over the period of April-September 2022. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

### Market size

- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22. With more than 100 unicorns valued at US\$ 332.7 billion, India has the third-largest unicorn base in the world. The government is also focusing on renewable sources to generate energy and is planning to achieve 40% of its energy from non-fossil sources by 2030.
- According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at 2.1% of GDP in the first quarter of FY 2022-23.
- Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown. According to Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Indian exports are expected to reach US\$ 1 trillion by 2030.



### Recent Development

India is primarily a domestic demand-driven economy, with consumption and investments contributing to 70% of the economic activity. With an improvement in the economic scenario and the Indian economy recovering from the Covid-19 pandemic shock, several investments and developments have been made across various sectors of the economy. According to World Bank, India must continue to prioritise lowering inequality while also putting growth-oriented policies into place to boost the economy. In view of this, there have been some developments that have taken place in the recent past. Some of them are mentioned below.

Recent economic developments in India are as follows:

- As of September 21, 2022, India's foreign exchange reserves stood at US\$ 524,520 million.
- The private equity-venture capital (PE-VC) sector investments stood at US\$ 2 billion in September 2022.
- Merchandise exports in September 2022 stood at US\$ 32.62 billion.
- PMI Services remained comfortably in the expansionary zone at 56.7 during April-September 2022
- In September 2022, the gross Goods and Services Tax (GST) revenue collection stood at Rs. 147,686 crore (US\$ 17.92 billion).
- Between April 2000-June 2022, cumulative FDI equity inflows to India stood at US\$ 604,996 million.
- In August 2022, the overall IIP (Index of Industrial Production) stood at 131.3. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 99.6, 131.0 and 191.3, respectively, in August 2022.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 7.41% in September 2022.
- In FY 2022-23, (until October 28, 2022), Foreign Portfolio Investment (FPI) outflows stood at Rs. 58,762 crore (US\$ 7.13 billion).
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

### **Government Initiatives**

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, are aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- Home & Cooperation Minister Mr. Amit Shah, laid the foundation stone and performed Bhoomi Pujan of Shri Tanot Mandir Complex Project under Border Tourism Development Programme in Jaisalmer in September 2022.
- In August 2022, Mr. Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare inaugurated four new facilities at the Central Arid Zone Research Institute (CAZRI), which has been rendering excellent services for more than 60 years under the Indian Council of Agricultural Research (ICAR).
- In August 2022, a Special Food Processing Fund of Rs. 2,000 crore (US\$ 242.72 million) was set up with National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit for investments in setting up Mega Food Parks (MFP) as well as processing units in the MFPs.
- In July 2022, Deendayal Port Authority (DPA) announced plans to develop two Mega Cargo Handling Terminals on a Build-Operate-Transfer (BOT) basis under Public-Private Partnership (PPP) Mode at an estimated cost of Rs. 5,963 crore (US\$ 747.64 million).
- In July 2022, the Union Cabinet chaired by the Prime Minister Mr. Narendra Modi, approved the signing of the Memorandum of Understanding (MoU) between India & Maldives. This MoU will provide a platform to tap the benefits of information technology for court digitization and can be a potential growth area for the IT companies and start-ups in both the countries.
- India and Namibia entered into a Memorandum of Understanding (MoU) on wildlife conservation and sustainable biodiversity utilization on July 20, 2022, for establishing the cheetah into the historical range in India.

- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (INR) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- In June 2022, Prime Minister Mr. Narendra Modi inaugurated and laid the foundation stone of development projects worth Rs. 21,000 crore (US\$ 2.63 billion) at Gujarat Gaurav Abhiyan at Vadodara.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly-developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on 11 July 2022.
- In June 2022:
  - Prime Minister Mr. Narendra Modi, laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the groundbreaking ceremony of the UP Investors Summit in Lucknow.
  - The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, Handloom & Textiles.
- The Indian Institute of Spices Research (IISR) under the Indian Council for Agricultural Research (ICAR) inked a Memorandum of Understanding (MoU) with Lysterra LLC, a Russia-based company for the commercialization of biocapsule, an encapsulation technology for bio-fertilization on 30 June, 2022.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment, and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan, the National Highway Network will develop 25,000 km of new highways network, which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.

- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.

- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

(Source: [www.ibef.org](http://www.ibef.org))

## TEXTILE INDUSTRY

### 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, with the capital-intensive sophisticated mills sector at the other end. The fundamental strength of the textile industry in India is its strong production base of a wide range of fibre/yarns from natural fibres like cotton, jute, silk and wool, to synthetic/man-made fibres like polyester, viscose, nylon and acrylic.

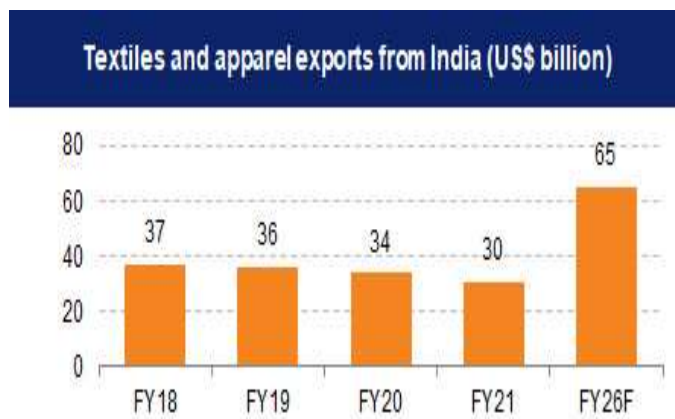
The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.

In order to attract private equity and employ more people, the government introduced various schemes such as the Scheme for Integrated Textile Parks (SITP), Technology Upgradation Fund Scheme (TUFS) and Mega Integrated Textile Region and Apparel (MITRA) Park scheme.

### MARKET SIZE

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India has a 4% share of the global trade in textiles and apparel.

India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season 2021-22. Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. In FY23, exports of readymade garments (RMG) cotton including accessories stood at US\$ 7.68 billion till January 2023. It is expected to surpass US\$ 30 billion by 2027, with an estimated 4.6-4.9% share globally.



Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during the same period. Natural fibres are regarded as the backbone of the Indian textile industry, which is expected to grow from US\$138 billion to US\$195 billion by 2025.

India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. During April-October in FY23, the total exports of textiles stood at US\$ 21.15 billion. India's textile and

apparel exports to the US, its single largest market, stood at 27% of the total export value in FY22. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

India's textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country.

### Road Ahead

The future of the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. India is working on various 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 the rise. The government is supporting the sector through funding and machinery sponsoring.

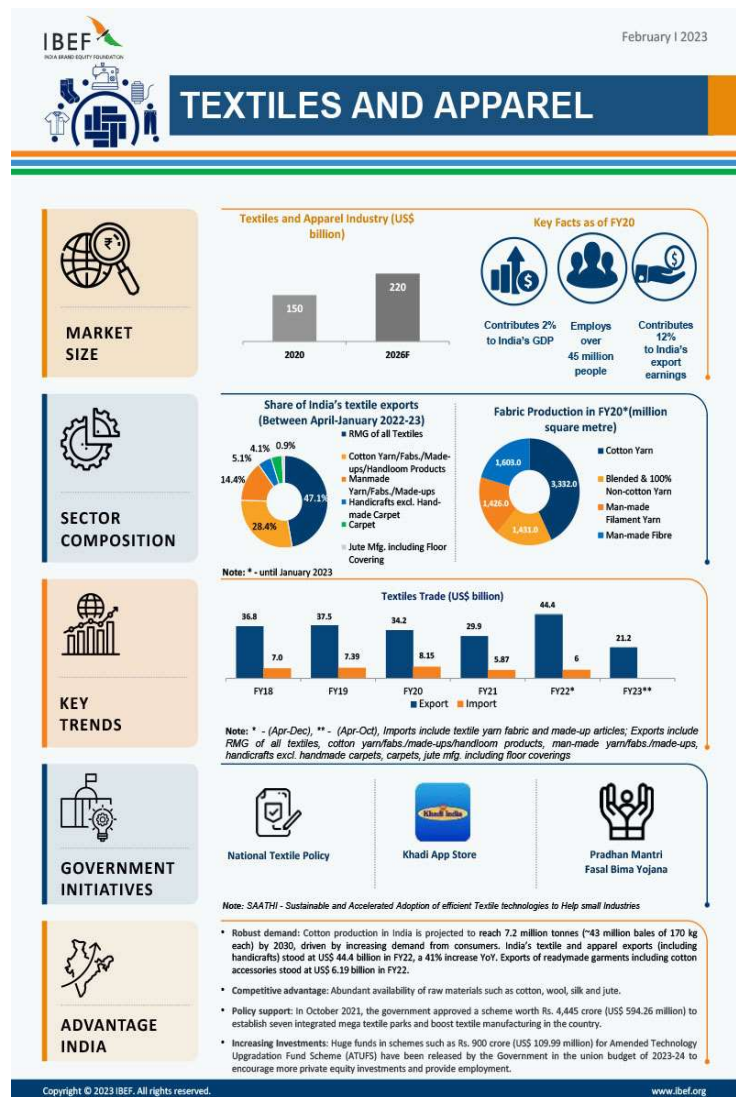
Top players in the sector are achieving sustainability in their products by manufacturing textiles that use natural recyclable materials.

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. The growth in textiles will be driven by growing household income, increasing population and increasing demand by sectors like housing, hospitality, healthcare, etc.

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

### Other reports on Textile and Garment.

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. Around 45 million people are working in the textile business, including 3.5 million people who work on handlooms. The Indian textile and apparel industry is expected to grow at 10% CAGR



from 2019-20 to reach US\$ 190 billion by 2025-26. The Indian apparel market stood at US\$ 40 billion in 2020 and is expected to reach US\$ 135 billion by 2025.

India enjoys a comparative advantage in terms of skilled manpower and in cost of production relative to other major textile producers. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22. India's ready-made garment (RMG) exports are likely to surpass US\$ 30 billion by 2027, growing at a CAGR of 12-13%.

The textiles industry (including dyed and printed) foreign direct investment (FDI) worth US\$ 4.03 billion from April 2000-June 2022. 100% FDI (automatic route) is allowed in the Indian textile sector.

Companies involved in home textiles 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.

The Government's Rs. 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major booster for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

The Government approved the Mega Integrated Textile Region and Apparel (MITRA) Park scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks with state-of-the-art infrastructure, common utilities and R&D lab over a three-year period, which will boost textile manufacturing in the country.

The Indian government wants to establish 75 textile hubs, similar to Tiruppur, which will greatly increase employment opportunities while promoting the export of textile products and ensuring the use of sustainable technology.

For the export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under the National Handloom Development Programme (NHDP). Alongside, the Ministry of Textiles has also been implementing Handloom Marketing Assistance (HMA), a component of the National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers, and develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

The government has allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16-22 for the 'Amended Technology Up-gradation Fund Scheme' (A-TUFS) to boost the Indian textile industry and enable ease of doing business.

Amazon India has signed a MoU with the Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur entity, to encourage the development of weavers and artisans throughout the state.

To support the handloom weavers/weaver entrepreneurs, the Weaver MUDRA Scheme was launched to provide margin money assistance at 20% of the loan amount subject to a maximum of Rs. 10,000 (US\$ 134.22) per weaver. The loan is provided at an interest rate of 6% with credit guarantee of three years.

The new Economic Cooperation and Trade Agreements with Australia and the UAE will open multiple opportunities for textiles and handloom. Indian textile exports to Australia and the UAE will now face zero

duties, and the government is expecting that soon, Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

(Source: [www.ibef.org](http://www.ibef.org))

### Reports on Textile and Garment.

India is among the top garment-manufacturing countries in the world. Indian textiles and apparel products have a history of fine craftsmanship across the entire value chain from fibre, yarn, and fabric to apparel with high global appeal. India's cotton, silk, and denim are highly popular in other countries, and Indian apparel too has found success across fashion centres around the world. India is one of the largest consumers and producers of cotton with the highest acreage of 13.5 million hectares which is 38% of the global area under cotton cultivation. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India.

India's textile and apparel market size is growing at a CAGR of 12% from US\$ 152 billion in 2021 to reach US\$ 225 billion by 2025. The industry is one of the biggest contributors to the economy with a 2% contribution to the gross domestic product (GDP) which is approx. US\$ 70 billion. It is also the second largest employer after agriculture, providing direct employment to 45 million people and 100 million people in the allied sector. Andhra Pradesh, Telangana, Haryana, Jharkhand and Gujarat are the top textile and clothing manufacturing states in India.

### Export Trend

India is the fifth largest exporter of textiles and apparel products in the world with a massive raw material and manufacturing base. During 2020-21, the share of textile, apparel and handicrafts in India's total exports was 11.4% while India's share of the global trade in textiles and apparel stood at 4%. Despite unprecedented logistics issues, India registered the highest-ever exports at US\$ 44.4 billion in textiles and apparel (T&A) including handicrafts in FY22, recording a growth of 41% and 26% over 2020-21 and 2019-20, respectively. In FY23 (until February 2023) exports of ready-made garments (RMG) stood at US\$ 14.75 billion showing a growth of 21.4% over 2021-22.



Source: DGCIS  
 Note: \*Until February 2023

Based on product category, exports during 2021-22 saw the highest yearly growth of 54% in cotton textiles followed by 51% growth in man-made textiles, 30% growth in ready-made garments (RMG) and 22% growth in handicrafts. Cotton textile exports are a major contributor with a 39% share of total exports of the textiles and apparel industry while ready-made garments, man-made textiles and handicrafts contributed 36%, 14% and 5% of the total exports for the sector respectively. Exports of Cotton Yarn/Fabs./Madeups, Handloom products etc. stood at US\$ 869.26 million in January 2023.

During the recent meeting of the Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal along with members of AEPC, the 2022-23 export target for readymade garments for all textiles has been indicated as US\$ 17.6 billion. AEPC has accepted this target and will be striving to exceed this target.

(Source: [www.ibef.org](http://www.ibef.org))



## FMCG INDUSTRY IN INDIA

### INTRODUCTION

The FMCG sector in India expanded due to consumer-driven growth and higher product prices, especially for essential goods. FMCG sector provides employment to around 3 million people accounting for approximately 5% of the total factory employment in India. FMCG sales in the country was expected to grow 7-9% by revenues in 2022-23. The key growth drivers for the sector includes favourable Government initiatives & policies, growing rural market and youth population, new branded products, and growth of e-commerce platforms. Resilience needs to be the key factor in the manufacturing process, daily operations, retail and logistic channels, consumer insights and communication that will help FMCG companies to withstand the test of time and create more value for consumers in the long run.

Fast-moving consumer goods (FMCG) sector is India’s fourth-largest sector and has been expanding at a healthy rate over the years as a result of rising disposable income, a rising youth population, and rising brand awareness among consumers. With household and personal care accounting for 50% of FMCG sales in India, the industry is an important contributor to India’s GDP.

India is a country that no FMCG player can afford to ignore due to its middle class population which is larger than the total population of USA. The Indian FMCG market continues to rise as more people start to move up the economic ladder and the benefits of economic progress become accessible to the general public. More crucially, with a median age of just 27, India's population is becoming more consumerist due to rising ambitions. This has been further aided by government initiatives to increase financial inclusion and establish social safety nets.

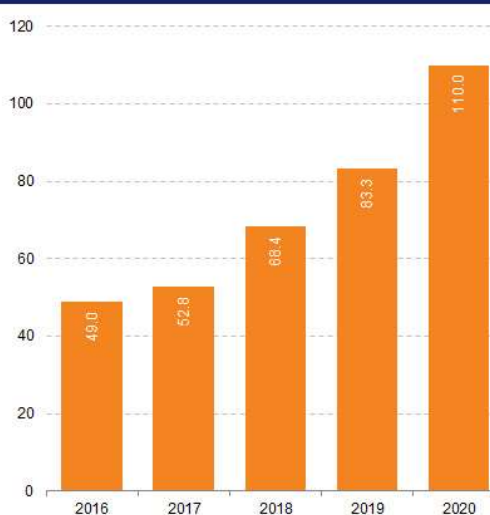
Growing awareness, easier access and changing lifestyles have been the key growth drivers for the sector. The urban segment (accounts for a revenue share of around 55%) is the largest contributor to the overall revenue generated by the FMCG sector in India. However, in the last few years, the FMCG market 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

FMCG market reached US\$ 56.8 billion as of December 2022. Total revenue of FMCG market is expected to grow at a CAGR of 27.9% through 2021 to 2027, reaching nearly US\$ 615.87 billion. In 2022, urban segment contributed 65% whereas rural India contributed more than 35% to the overall annual FMCG sales. Good harvest, government spending expected to aid rural demand recovery in FY24. The sector had grown 8.5% in revenues and 2.5% in volumes last fiscal year. In the January-June period of 2022, the sector witnessed value growth of about 8.4% on account of price hikes due to inflationary pressures. In Q2, CY22, the FMCG sector clocked a value growth of 10.9% Y-o-Y – higher than the 6% Y-o-Y value growth seen in Q1.

Indian food processing market size reached US\$ 307.2 trillion in 2022 and is expected to reach US\$ 547.3 trillion by 2028, exhibiting a growth rate (CAGR) of 9.5% during 2023-2028.

Trends in FMCG revenues over the years (US\$ billion)



Digital advertising will grow at 14.75% CAGR to reach Rs. 35,809 crore (US\$ 4.3 billion) by 2023, with FMCG industry being the biggest contributor at 42% share of the total digital spend.

India includes 780 million internet users, where an average Indian person spends around 7.3 hours per day on their smartphone, one of the highest in the world. Number of active internet users in India will increase to 900 million by 2025 from 622 million in 2020. In 2021, India's consumer spending was US\$ 1,891.90 billion. Indian villages, which contribute more than 35% to overall annual FMCG sales, are crucial for overall revival of the sector. E-commerce now accounts for 17% of the overall FMCG consumption among evolved buyers, who are affluent and make average spends of about Rs. 5,620 (US\$ 68).

India's e-commerce industry recorded a 36.8% year-on-year growth in 2022. Indian e-commerce market is anticipated to reach a value of Rs. 26,459.18 billion (US\$ 319.3 trillion) by the end of 2027, expanding at a CAGR of ~26.71% during the 2022 - 2027 period. The market has grown exponentially over the past five years due to the surge in internet and smartphone users, improved policy reforms, and increase in disposable income. Mobile wallets, Internet banking, and debit/credit cards have become popular among customers for making transactions on e-commerce platforms. As of 2021, there were 1.2 million daily e-commerce transactions. The total value of digital transactions stood at US\$ 300 billion in 2021 and is projected to reach US\$ 1 trillion by 2026.

The India online grocery market size has been projected to grow from US\$ 4,540 million in 2022 to US\$ 76,761.0 million by 2032, at a CAGR of 32.7% through 2032.

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. The Indian FMCG industry grew by 16% in CY21 a 9- year high, despite nationwide lockdowns, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

FMCG giants such as Johnson & Johnson, Himalaya, Hindustan Unilever, ITC, Lakmé and other companies (that have dominated the Indian market for decades) are now competing with D2C-focused start-ups such as Mamaearth, The Moms Co., Bey Bee, Azah, Nua and Pee Safe. Market giants such as Revlon and Lotus took ~20 years to reach the Rs. 100 crore (US\$ 13.4 million) revenue mark, while new-age D2C brands such as Mamaearth and Sugar took four and eight years, respectively, to achieve that milestone.

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.

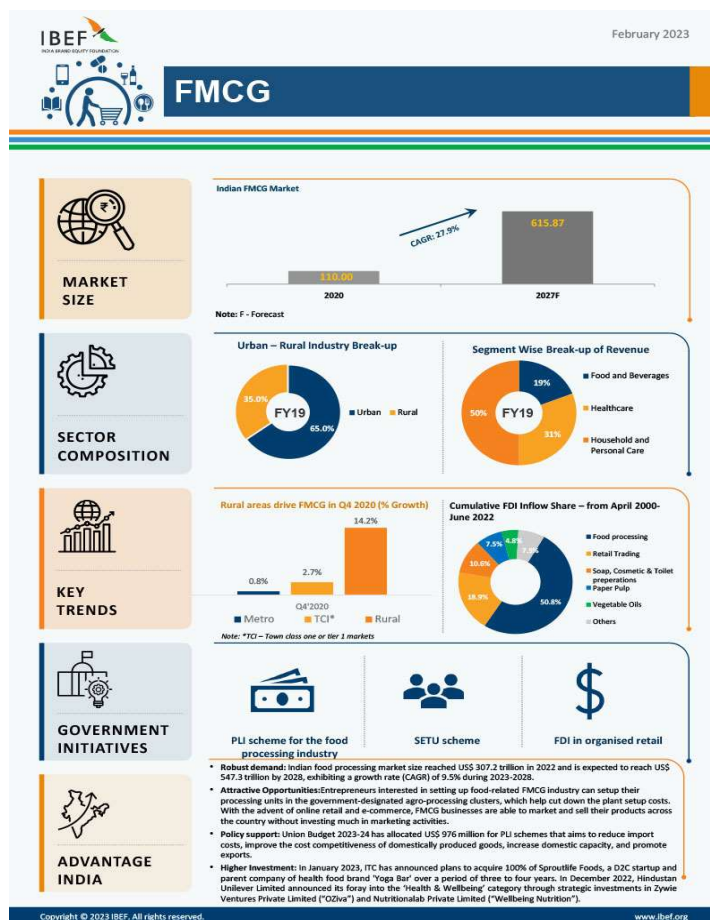
### Other Reports

Fast moving consumer goods (FMCG) is the fourth-largest sector in the Indian economy. There are three main segments in the sector – food and beverages, which accounts for 19% of the sector; healthcare, which accounts for 31% of the share; and household and personal care, which accounts for the remaining 50% share. 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. The Indian processed food market is projected to expand to US\$ 470 billion by 2025, up from US\$ 263 billion in 2019-20.

The Indian FMCG industry grew by 16% in CY21 a 9- year high, despite nationwide lockdowns, supported by consumption-led growth and value expansion from higher product prices, particularly for staples. 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 domestic FMCG market has grown at 12.6% YoY in Q3 2021.

The Indian online grocery market is estimated to exceed sales of about Rs. 1,310.93 billion (US\$ 17.12 billion) by 2026, at a CAGR of 28.99%. The gross merchandise value (GMV) of the online grocery segment in India is expected to increase 18 times over the next five years to reach US\$ 37 billion by FY25.

The FMCG sector has received good investments and support from the Government in the recent past. The sector witnessed healthy FDI inflows of US\$ 20.11 billion from April 2000-March 2022. Furthermore, as per the Union Budget 2022-23, Rs. 1,725 crore (US\$ 222.19 million) has been allocated to the Department of Consumer



Affairs, Rs. 215,960 crore (US\$ 27.82 billion) has been allocated to the Department of Food and Public Distribution. In FY 2021-22, the government approved Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) with an outlay of Rs. 10,900 crore (US\$ 1.4 billion) to help Indian brands of food products in the international markets.

According to a joint report released by industry body FICCI and property consultancy firm Anarock, Indian e-commerce market is expected to reach US\$ 120 billion by 2026 from US\$ 38 billion in 2021.

In October 2022, Dabur acquired 51% stake in Badshah Masala Private Limited for Rs. 587.52 crore (US\$ 71.81 million) less proportionate debt as on the closing date, with the Badshah enterprise being valued at Rs 1,152 crore (US\$ 140.81 million).

In July 2022, Chief Minister of Uttar Pradesh Mr. Yogi Adityanath, inaugurated HUL's ultra-modern factory in Sumerpur with a total investment of Rs. 700 crore (US\$ 88.07 million) planned by 2025.

In July 2022, Emami acquired 30% stake in Cannis Lupus to enter into the petcare segment in India.

In July 2022, Godrej Consumer Products Limited (GCPL), unveiled Godrej Magic Bodywash, India's first ready-to mix bodywash at just Rs. 45 (US\$ 0.57).

The government's production-linked incentive (PLI) scheme gives companies a major opportunity to boost exports with an outlay of US\$ 1.42 billion.

As of February 2021, out of 39 Mega Food Park projects, 22 are operational, 15 are under implementation and 2 are in-principle approval.

The future outlook of the FMCG sector looks on track with pandemic easing out. 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. 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.

(Source: [www.ibef.org](http://www.ibef.org))

## OUR BUSINESS

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

*In this section, a reference to the “Company” means Davin Sons Retail Limited. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for financial year ended March 31, 2023 and 2022 and for the period ended November 30, 2023 included in this Draft Prospectus on page 158.*

## OVERVIEW

Our Company is led by our Promoters Mr. Mohit Arora and Mr. Nohit Arora, who are in the field of garment designing, manufacturing and trading for more than 10 years. Mr. Mohit Arora established proprietorship concern in the name and style of M/s. Jesus Shirts, in 2012 along with his brother Mr. Nohit Arora. They started off with some small & medium sized brands which could give him some consistent business and also, they can place himself in the market.

M/s. Jesus Shirts was started in 2012 as a proprietorship firm, committed to provide its customers with quality products. Davin Sons Retail Limited was incorporated in 2022 to do the business which was done in proprietary firm. Our Company strives to bring the best products to its customers by providing last mile connectivity to large consumer product Companies.

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments. Later, on 01<sup>st</sup> August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non Alcoholic Energy Drinks, Chips etc.

On 2<sup>nd</sup> March, 2023, the running business of the above proprietorship concern was acquired by our Company, along with the assets and liabilities of the proprietorship concern on going concern basis as on 28<sup>th</sup> February, 2023. Since incorporation, our promoters have been looking after the overall operations and major business decisions of the Company. With our absolute commitment to quality, meticulous attention and level of services, today we have established ourselves as a Manufacturer of Garments and distributor of FMCG products.

Our Company has two business verticals:

1. Manufacturing of readymade Garments;
2. Distribution of FMCG products.

We are engaged into the business of manufacturing and designing of readymade garments offering diverse range of high-quality jeans, denim fabrics, denim jackets and t-shirts for other brands. We have been supplying our readymade garments to our clients including AS Enterprise, Kaxiaa Exports, V- BAZAAR, Berry Cotts, V2 RETAIL, MEGASHOP, Passage Global etc. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We outsource the entire garments manufacturing on job work basis from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials and begin the manufacturing process. The products delivered to us from third party contractors are completely finished and packaged to our warehouse. However, we have not entered into Job work agreement.

We have client base in Delhi, Haryana, West Bengal, Uttar Pradesh and Bihar from where we are getting regular orders for our garments.

With a vision to further expand the Garment business, we have entered into distributorship arrangement for marketing and selling our manufactured readymade garments to the small market. These distributors are situated at Delhi, Uttar Pradesh, Bihar.

We also provide our sample designs in line with new styles, fits, finishes to meet the latest fashion trends to our customers. In season, the team works on over several designs, out of which few are picked up to constitute the new season collection. Our Company’s core competency lies in our understanding of our customer’s buying preferences and behaviour across the Indian market. We procure our fabrics directly from reliable fabric manufacturers for better quality and pricing.

Our Company mainly sources fabric from the local market of Mumbai, Delhi and outsources its job work to the Manufacturers at New Delhi. Under the supervision of Company personnel for designs and quality control. The finished products are delivered at our Company Warehouse. After Quality checking at our Warehouse, the products are further bar coded and dispatched as per orders from various buyers.

Our Company’s proficiency lies in understanding the specific requirement of our customers and based on which we place the order of our products to manufacturer having requisite manufacturing facilities. We supervise the entire manufacturing process including selection of interlinings produced till dispatch of the goods to customers place, to assure product quality and customer satisfaction.

We are also a part of the Fast-Moving Consumer Goods (FMCG) industry which continues to be one of the biggest long-term sustainable business opportunities that our country offers. Despite being one of the fastest-growing markets globally for FMCG products, India’s per capita FMCG consumption is still amongst the lowest in the world, giving this industry a long runway for growth.

Our Company strives to bring the best global products to its customers by providing last mile connectivity to large consumer product companies.

We are a FMCG product distributor for the large size FMCG Companies in India for whom we distribute Branded packaged FMCG products like biscuits, Non-Alcoholic Energy Drinks on distributorship basis. and we also distribute packaged products including biscuits, Chips, Oil, Non-Alcoholic Energy Drinks, Toffey, Chocolates etc. of various other FMCG Companies on non-distributorship basis.

We earn our consumer’s trust with the promise that each of the product we sell enhances their health. We distribute FMCG products for the large size FMCG Companies in India to various retailers and other distributor & agents. We define our success on our ability to make shopping meaningful to our customers. Our customers are local retailers and wholesalers located in various region including Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh.

At present, Our Company distribute the FMCG products of large size FMCG Companies including PARLE, BUDWEISER and HELL Energy Drink. We distribute following category of products of some of the large FMCG Companies:

<b>PARLE</b>	<b>BUDWEISER</b>	<b>HELL</b>	<b>Other Product mix</b>
Biscuits	Non-Alcoholic Energy Drinks	Non-Alcoholic Energy Drinks	Edible Oil
Toffee	Non-Alcoholic beats Energy Drinks	Coffee Drinks	Tea
Chocolate	-	-	Food Products
Food Products	-	-	Wafers, Chips, Chocolates

*Davin Sons Retail Limited – Draft Prospectus*

Our area of operation is in the state of Haryana, Delhi, Punjab, Arunachal Pradesh, Rajasthan, Gujarat, Bihar and Chhattisgarh where customers are scattered across large area. We have a separate warehouse for FMCG goods situated at Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001.

***Contribution of Our top Customers and Supplier in our Revenue from operations***

*The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively for the period ended on November 30, 2023 is as follows:*

<b>Particulars</b>	<b>Customers</b>	<b>Suppliers</b>
<i>Top 5 (%)</i>	18.92%	42.68%
<i>Top 10 (%)</i>	32.89%	73.17%

**FINANCIAL SNAPSHOT**

**(A) Total revenue as per Restated Financial Statements for the FY 2022-23 and for the period ended 30<sup>th</sup> November, 2023 are as follows.**

**Details of Total Revenue and Profits are as under:**

<b>Particulars</b>	<b>Amount in Rs. lakhs</b>		
	<b>For the period ended 30<sup>th</sup> November, 2023</b>	<b>Fiscal 2023 (refer note ii)</b>	<b>Fiscal 2022 (refer note i)</b>
Readymade Garments	580.33	73.59 (from 1 <sup>st</sup> March, 2023 to 31 <sup>st</sup> March, 2023)	-
FMCG Products	510.42	309.55	-
<b>Revenue from Operations</b>	<b>1,090.75</b>	<b>383.14</b>	-
Other Income	-	8.19	-
<b>Total Revenue</b>	<b>1,090.75</b>	<b>391.33</b>	-
<b>Profit before Tax</b>	159.81	76.44	-
<b>Profit after Tax</b>	<b>118.66</b>	<b>56.62</b>	-

**Note:**

- (i) *Our Company has been incorporated during the year 2022, however, the business was commenced during the FY 2022-23.*
- (ii) *M/s Jesus Shirts, a proprietary firm which was taken over by our Company (including all its movable assets, current assets and liabilities as on 28<sup>th</sup> February, 2023) in terms of Business Purchase Agreement dated 2nd March, 2023. Therefore, the revenue from operations of our Company for FY 2022-23 include garment revenue only for the month of March 2023.*

**(b) Collective Revenue for the FY 2022-23, FY 2021-22, FY 2020-21 and FY 2019-20 after considering financials of Proprietary concern for the period upto 28<sup>th</sup> February, 2023 and for the period ended 30<sup>th</sup> November, 2023:**

<b>Particulars</b>	<b>Amount in Rs. Lakhs</b>				
	<b>For the period ended 30<sup>th</sup> November, 2023</b>	<b>FY 2022-23</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
Readymade Garments	580.33	206.31	88.88	150.07	412.31
FMCG Products	510.42	309.55	-	-	-
<b>Revenue from Operations</b>	<b>1,090.75</b>	<b>515.86</b>	<b>88.88</b>	<b>150.07</b>	<b>412.31</b>
Other Income	-	8.21	0.02	1.38	-

*Davin Sons Retail Limited – Draft Prospectus*

Particulars	For the period ended 30 <sup>th</sup> November, 2023	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
<b>Total Revenue</b>	<b>1,090.75</b>	<b>524.07</b>	<b>88.89</b>	<b>151.45</b>	<b>412.31</b>
<b>Profit before Tax</b>	<b>159.81</b>	<b>133.21</b>	<b>7.34</b>	<b>13.04</b>	<b>16.37</b>
<b>Profit after Tax</b>	<b>118.66</b>	<b>93.82</b>	<b>5.75</b>	<b>6.51</b>	<b>11.74</b>

*For Financials KPIs of our Company, please refer chapter “basis of issue price” on page 83 of this Draft Prospectus.*

**OUR COMPETITIVE STRENGTHS:**

We believe the following competitive strengths contribute to our success and position us well for future growth:

- 1) **Diversified Product Portfolio:** We have aligned our pace in tune with market demand; we have periodically diversified our product portfolio. Our Company has a varied product base to cater to the requirements of our customers. Our Product Portfolio includes diversified variety of products including of variety of Readymade garments and FMCG products of large size FMCG Companies in India. Our range of products allows our existing customers to source their product requirements from us and also enables us to expand our business from existing customers. Our long-standing relationships with our suppliers have helped us in creating a distributor of choice image for ourself for many of these Companies.
- 2) **Focus on Quality and Innovation:** we believe that quality and innovation are bed rock of successful strategy. We stress on and constantly strive to maintain and improve the quality of products. Our focus on quality and innovation helps us to compete against our peers in the segment we deal. Our Company follows strict policy of supplying quality products. We are specific about the quality of products and intensive care is taken to determine the standard of every material/ product dispatched. Additionally, our Company also keeps itself abreast with the latest changes in technology.
- 3) **Experienced Promoter and management team with strong industry expertise and successful track record** – Our promoters Mr. Mohit Arora and Mr. Nohit Arora has more than 13 years of experiences in the garments industry and distribution networking which has created a trust amongst our suppliers / customers. Our management and employee team combines expertise and experience to outline plans for the future development of the company. Our Promoters have significant industry experience and has been instrumental in the consistent growth of our company. We believe that the knowledge and experience of our promoters and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhances the growth in the business.

*For further details regarding the experience and qualifications of our management team please see “Our Management” on page 136 of this Draft Prospectus.*

- 4) **Cordial relations with our customers and Suppliers-** Our record has helped us to build strong relationships over a number of years with our customers as well as with our Suppliers, which allows us to repetitive order with our customers as well as efficient and timely execution of projects.
- 5) **Diversified Business model catering to various segments which are not related to each other protects company from slowdown in any specific Industry:** Our Company is catering to various business such as Readymade Garments and FMCG segment which are independent to each other, we have team of professional for each business vertical. Our Company has been able to cater to the



customers of each vertical and any slowdown in any specific industry will not impact the overall revenue of the Company.

### **OUR STRATEGIES:**

- 1. Improving operational efficiencies:** Improving operational efficiencies is the key to success of any business. Our Company intends to improve efficiencies to achieve cost reductions so that they can be competitive. We believe that this can be done through domestic presence and economies of scale. Increasing our penetration in existing regions will enable us to penetrate into new catchment areas within these regions. As a result of these measures, our Company will be able to increase its market share and profitability.
- 2. Expansion of Geographic Reach:-** Currently, we have presence in the state of Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh. We intend to expand our geographical reach and enter the large domestic market for growth opportunities of our business by setting a warehouse in large populated states which we can reach to large no of customers.

Currently, we have our Registered Office in Delhi and our warehouses are located in Delhi and Gurugram (Haryana). Our Company will continue exploring opportunities in various other parts of India where it can supply its products to enhance its geographic reach.

### ***Geographical presence***

State-wise distribution of our client base based on contribution to our Revenue from Operations for the financial year ended March, 31, 2023 (after considering Revenue of Proprietary concern i.e. M/s. Jesus Shirts for the period upto 28<sup>th</sup> February, 2023, taken over our Company vide Business Purchase agreement dated 2<sup>nd</sup> March, 2023) is as follows:

State	Garments*		FMCG		Total	
	Amount	% of Revenue from Garments	Amount	% of Revenue from Garments	Amount	% of total revenue
Delhi	175.46	85.06%	68.92	22.26%	244.38	47.37%
Haryana	12.61	6.11%	182.13	58.83%	194.74	37.75%
Punjab	-	-	56.18	18.15%	56.18	10.89%
West Bengal	2.13	1.03%	-	-	2.13	0.41%
Uttar Pradesh	16.11	7.81%	-	-	16.11	3.12%
Rajasthan	-	-	0.33	0.11%	0.33	0.06%
Arunachal Pradesh	-	-	1.99	0.64%	1.99	0.39%
<b>Total</b>	<b>206.29</b>	<b>100.00%</b>	<b>309.58</b>	<b>100.00%</b>	<b>515.86</b>	<b>100.00%</b>

\*Revenue from Garment business for the period from 1<sup>st</sup> March, 2023 to 31<sup>st</sup> March, 2023 (post-acquisition of proprietary firm) has been from the state of Delhi.

State-wise distribution of our client base based on contribution to our Revenue from Operations for the period ended November 30, 2023 is as follows:

State	Garments		FMCG		Total	
	Amount	% of Revenue from Garments	Amount	% of Revenue from FMCG	Amount	% of total revenue
Delhi	313.00	53.99%	20.55	4.03%	333.85	30.61%
Haryana	130.36	22.46%	437.01	85.62%	567.37	52.02%
Punjab	-	-	29.59	5.80%	29.59	2.71%

**Davin Sons Retail Limited – Draft Prospectus**

State	Garments		FMCG		Total	
	Amount	% of Revenue from Garments	Amount	% of Revenue from FMCG	Amount	% of total revenue
Chhattisgarh	-	-	1.33	0.26%	1.33	0.12%
Uttar Pradesh	119.53	20.60%	-	-	119.53	10.96%
Rajasthan	-	-	0.24	0.05%	0.24	0.02%
Arunachal Pradesh	-	-	19.53	3.82%	19.53	1.79%
Bihar	17.15	2.95%	0.19	0.04%	17.34	1.59%
Gujarat	-	-	1.99	0.39%	1.99	0.18%
<b>Total</b>	<b>580.33</b>	<b>100.00%</b>	<b>510.42</b>	<b>100.00</b>	<b>1090.75</b>	<b>100.00%</b>

Our company intends to establish its more footprints in other high populated states to expand our geographical reach and enter the large domestic market for growth opportunities of our business by setting up a warehouse in large populated states where we can reach to large no of consumers. We have entered into a MOU dated 7<sup>th</sup> December, 2023 to acquire a Land situated at Neemrana, Rajasthan. By setting up a warehouse at Rajasthan, our Company can target large number of consumers at such big populated states and near states like Uttar Pradesh and Madhya Pradesh.

For more details, please refer chapter titled “objects of the issue” at page 74 of this Draft Prospectus.

- Continued focus on innovative designs:** We are into garmenting business, which requires creation of designs in terms of prevailing fashion. We have team of designers and other facilities to come out with designs, which make our garments more of a fashion product and thus proving better in terms of price realization. Our strategy is to further improvise on designs development. Presently, we are mainly into the development, manufacture and trader of men’ wear. We intend to continue to be focused into men’s wear and to add women’s wear and kids wear.
- Competitive Pricing:-**To remain aggressive and capitalize a good market share, we believe in offering competitive prices to our customers. This helps us to sustain the cut-throat competition and withhold a strong position in the market
- Leveraging our Market skills and Relationships:-** This is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to enhance the growth by leveraging our relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting orders in hand on time, maintaining our customer relationship and renewing our relationship with existing buyers.
- Inorganic Growth:** In addition to increasing the existing capabilities and leveraging existing products portfolio, we also intend to explore acquisition of businesses, which will help us entering into new geographies where considerable business opportunities would be available to grow our business. Strategic acquisitions of small distributors in different geographies which are near to our present area of operation targeted to increase product portfolio and penetrate newer markets will be the focus of our Company going forward. It will be a constant endeavor to grow business by leveraging our understanding of market and customer demand we will be getting into distribution with other large FMCG companies and expanding our geographical presence which will help us to have larger product offering and wider customer reach.

## OUR PRODUCTS PORTFOLIO

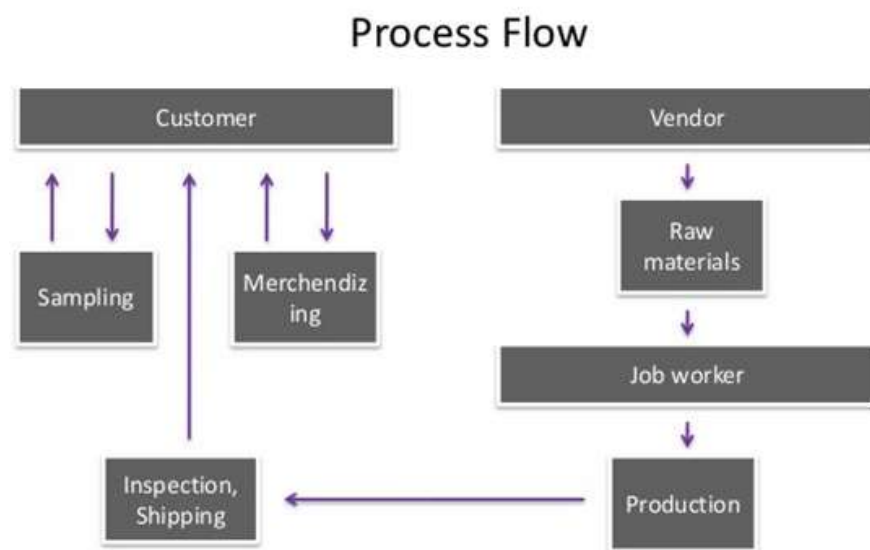
### READYMADE GARMENTS:

Our Company is primarily involved in manufacturing men’s wear with various designs and patterns. Our product line consists of the following:

	<p><i>Horizontal Style Printed Shirts-</i> Striped shirts for men are versatile and classic. They have two distinct patterns of striped shirts for men- vertical stripes and horizontal stripes.</p>
	<p><i>Check Style Printed Shirts-</i> The humble design made with horizontal and vertical lines has proved a timeless trend in the men’s fashion segment.</p>
	
	<p><i>Denim Shirt -</i> Denim shirt is any style of shirt that has been crafted from denim fabric. Denim shirts can also feature more casual elements such as multiple patch pockets and snap closures.</p>
	<p><i>Denim Jacket -</i> Denim Jacket is made from denim fabric. Denim jacket can also feature more casual elements such as multiple patch pockets and snap closures. Its quite popular in winters among youngsters.</p>
	<p><i>Jeans:</i> Jeans are a type of garment typically made from denim fabric and are characterised by double-stitching and rivets on the seams. Denim is a fabric. It is made of firm cotton in a twill weave and dyed with indigo. A characteristic feature of denim is that the blue threads are on the outside and the natural threads are on the inside.</p>

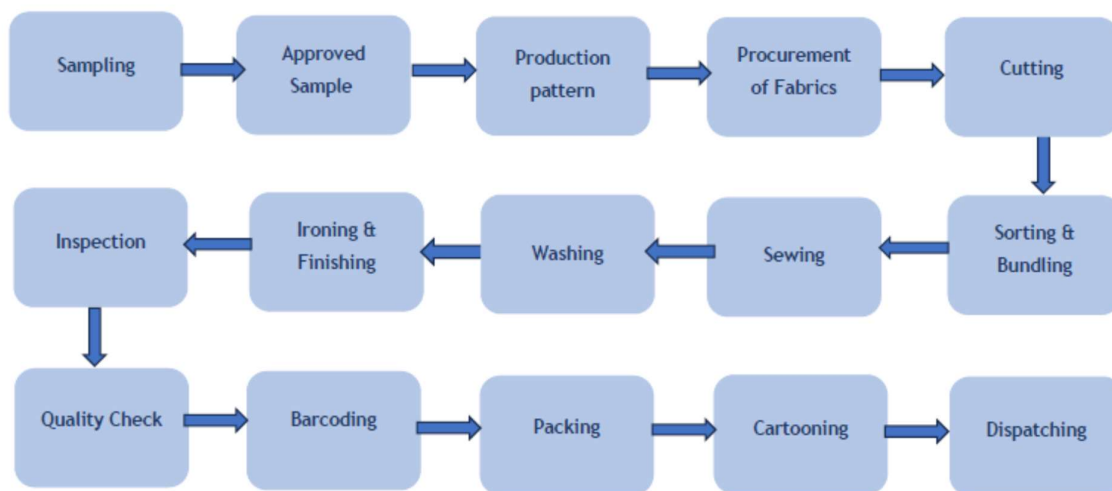
## Garment process Flow Chart

Following is the flow chart of our Garment business:



### Our Manufacturing Process for Garments:

- We place orders for our raw material requirements, which comprise of finished fabric, accessories such as fasteners, buttons, labels, and other consumables.
- We purchase the finished fabric and other raw materials from variety of suppliers.
- On receipt of the fabric and raw materials, our team conducts a preproduction inspection.
- On approval of the team, manufacturing commences production, which involves cutting, sewing, finishing, and ironing, etc.
- Each stage of production is monitored by our quality assurance team to ensure conformity with our quality, cost and delivery requirements.
- Cutting of the fabric requires precision. To ensure minimum wastage, automated cutting tools are used for pattern grading and marker making. The stitching process comprises of different stitching machines, each for a specific purpose.
- A range of finishing processes on our garments using specialized equipment including thread checking, ironing, steam pressing, collar pressing, accessories attachment is performed and folded prior to packaging and delivery to customers.

**Flow Chart of Manufacturing process:**

**FMCG PRODUCTS:**

Brief description of products, we distribute for FMCG Companies:

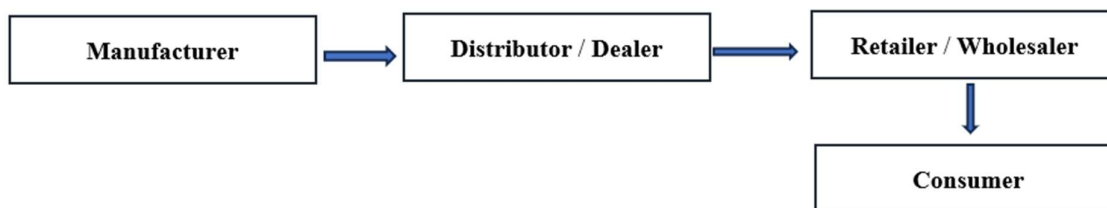
Product Category	Description
Food Product	Under food products we distribute various products such as Atta, Salt, Ready to Eat, Ready to cook, Biscuits, wafers, Chocolates, Toffee etc.
Drinks	Energy Drinks (Non-Alcoholic)
Nutritional products	Coffee, Tea, Mayonnaise, Jam, Soup
Other	Cooking oil, Tea

**FOOD PRODUCTS**




### PROCESS FLOW CHART

Process flow chart for our distribution services:



**Manufacturer’s:** - These are large corporates who manufacture goods or products; creating brand awareness and have marketing campaign to promote the brand. Its their responsibility to deliver products to the distributors like us.

**Distributor / Dealer:** - They buy products from manufacturer; which is stored in the warehouse maintained by them. They have their team of sales executive which meet retailers / wholesaler on regular intervals. Storing, bringing in orders, sorting as per orders & delivering to retailers / wholesaler is responsibility of distributors like us.

**Retailer / Wholesaler:** - They sell & promote the product to end consumer.

### UTILITIES & INFRASTRUCTURE FACILITIES:

#### Raw Material

We source all our FMCG products from the Company for which we distribute the products, accordingly there is no difficulty in getting the products for our business. Our Raw material for manufacturing of readymade garments comprise finished fabric, accessories such as fasteners, buttons, labels, and other consumables. We purchase the finished fabric and other raw materials from variety of suppliers. We source the material from various vendors situated at Delhi & Mumbai.

**Infrastructure Facilities**

Our Registered office is situated at 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL 110034 India is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

**Our properties:**

<p><b>WAREHOUSE</b>  <b>For readymade Garments</b></p>	<p><b>Address:</b> WZ-410/2, Second Floor, Shakurpur Village, Near Britania Chowk, Delhi- 110034</p>	
<p><b>WAREHOUSE</b>  <b>For FMCG Goods</b></p>	<p><b>Address:</b> Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001</p>	 
<p><b>REGISTERED OFFICE</b></p>	<p><b>Address:</b> 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL 110034</p>	

**Effluent Treatment Plant (ETP)**

We are engaged in the business where there is no effluent generated from the present/ proposed activities, ETP is not required.

**Power**

We have arrangements for regular power supply at our office premises & warehouses. Our Company meets its power requirements from state electricity supply and the same is sufficient for our day-to-day functioning. we do not require extra power back up in our routine course of business.

**Water**

We do not have any special need of water for our business. Our registered office & warehouses have adequate water supply arrangements for human consumption purpose. The requirements are fully met at the existing premises.

**Logistics:**

We outsource the delivery of our products to either third-party logistics companies or as mutually decided between the dealer and Company.

*Please refer the Risk Factor on page 28 of this Draft Prospectus.*

**Information Technology**

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track procurement, sale of finished goods, payments to vendors and receivables from customers.

**PLANT AND MACHINERY:**

In our Company, for carrying out our manufacturing activities, we do not require heavy machineries since we get the manufacturing on job work basis, however, all the required machineries like packing machines, pressing machines etc. are available in our premises. In our Company, for FMCG products, we do not require any Plant, Machinery and Technology.

**COLLABORATIONS:**

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

**CAPACITY AND CAPACITY UTILISATION:**

Capacity and capacity utilization is not applicable to our Company since our business is not in the nature of a manufacturing concern with specified installed capacity.

**HUMAN RESOURCES:**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business.

The details of manpower employed as on date of Draft Prospectus are as under:

Category	No. of Employees
Sales & Purchase Manager, Marketing & Logistics	7
Warehouse heads	3



Category	No. of Employees
Designing and Sampling	4
<b>Administration, Accounts &amp; Finance, Marketing:</b>	
Legal and Company Secretary	2
Accounts	2
Office Assistant/ workmen and supporting staff etc.	7
<b>TOTAL</b>	<b>25</b>

### **MARKETING STRATEGY:**

The efficiency of the marketing and sales network is critical to the success of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company. The promoters of the company having vast experience and good rapport with the customers owing to timely and quality delivery of products plays an instrumental role in creating and expanding a work platform as well as building trust for our Company.

To develop customers, our management and other personnel, directly interacts with prospective customers and also market our products to our existing customers. To increase our customer base, we identify the prospective clients, understand their requirements, explain them our product range and value addition we can offer. We also intend to expand our existing customer base by reaching out to other geographical areas.

We are committed to promote our business by widening our presence through our marketing network, in the past we have also promoted our products through social media network through third party youtuber.

### **COMPETITION:**

We operate in the business which faces intense competition from established as well as unorganized players. Our competition depends on several factors which includes quality, price and most importantly to upgrade with the latest trend to reap optimum sales. We believe that we operate a comprehensive business model encompassing men wear and distribution across India. We operate in unrecognized highly competitive market. Even with a diversified product portfolio and quality approach we have to face intense competitive pressures. Our competition varies for our products and regions. We compete with other sellers on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience. While these factors are key parameters in client’s decisions matrix in purchasing goods; product range, product quality and product price is often the deciding factor in most deals.

We intend to continue competing vigorously to capture more market share and adding more management personnel to manage our growth in an optimal way. In the future, we may also face competition from new entrants in the segment. Some of these players may already have robust business networks, which could eat into our market share. Some of our competitors are larger than we are, have greater financial resources than we do, and may be able to deliver products and services on more attractive terms or to invest larger amounts of capital into their businesses, including expenditure for better and more efficient marketing and delivery.

*For further details, see “Risk Factor – We operate in a competitive market and any increase in competition may adversely affect our business and financial condition” under the chapter titled “Risk Factors” on page 28 of this Draft Prospectus.*

### **EXPORT POSSIBILITIES & EXPORT OBLIGATION:**

We do not have any outstanding export obligations.

## **SWOT:**

### **Strengths**

- Diversified product portfolio
- Strong managerial capability
- Cordial relations with Customers
- Adaptability of company in the fast changing environment
- Sound structured facilities
- Reputed suppliers
- Efficient supply chain management

### **Weaknesses**

- Insufficient market reach
- Dependence on suppliers for products availability
- Working capital intensive due to payment delays from customers and advance payments to vendors
- Surge in finance needs to cope up with the increased demand

### **Opportunities**

- Growing acceptance by consumers
- Large Potential.
- Increasing demand

### **Threats**

- Competition from other established competitors in India or Outside India
- Rising prices of materials
- Government & regulatory norms
- Fluctuations in the material prices
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants

## **QUALITY:**

We are wholly committed to build and sustain itself as an organization where quality shall be the hallmark of every aspect. We check the entire process right from procurement of materials to final delivery. Our maximum attention is paid to upgrade our process and system to achieve consistent product quality and customer satisfaction.

## **INVENTORY MANAGEMENT**

We believe that maintaining appropriate levels of inventory is critical to our overall profitability. Our products in inventory include finished products sourced by us. In order to minimize the risk of building up aged inventories, it is our policy to regularly review the obsolescence of inventories based on their age.

## **OUR PROPERTIES:**

**Registered office:** 609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL 110034.

**Note 1: Interest in Property by our Promoters and Promoter Group**

Our Promoters and Promoter group do not have any interest in any property, whether leased, owned or occupied.

**Note 2: Purchase of Property**


We have not entered into any agreement to buy/sell any property with the promoters or Director or a proposed director who had any interest directly or Indirectly during the last 2 (Two) years.

**Details of Property owned or taken on lease by Our Company:**

S.No.	Details of the Property	Lessor	Consideration	Lease Period	Use
1.	609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL 110034	Mr. Manoj Sharma and Mrs. Reeta Bhardwaj	Rs. 32,500 per month.	2 years w.e.f. 1st April, 2023	Registered office
2.	Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001	Mr. Suresh Tiwari	Rs. 55,000 per month	Warehouse	3 years w.e.f. 14 <sup>th</sup> July, 2022
3.	WZ-410/2, Second Floor, Shakurpur Village, Near Britania Chowk, Delhi- 110034	Mr. Sunil Yadav	Rs. 14,000 per month	Warehouse	11 months w.e.f. 1 <sup>st</sup> July, 2023.

**INTELLECTUAL PROPERTY:**

Currently, Our company do not have registered Trademark, however, our Company has applied for registration of our corporate logo as following details:

S.No.	Logo Trademark	Class	Application No.	Nature of the Trademark	Application Date	Status	Validity
1		25	5979828	Device	14 <sup>th</sup> June, 2023	Pending	Not Applicable

For more details, Please refer Risk factor on page no 28 of this Draft Prospectus.

**INSURANCE:**

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards. At present our insurance policies provide cover against Standard fire and special perils policy, burglary standard policy and burglary standard policy which cover risk including loss of stock of FMCG goods stored at our warehouse situated at Khewat No. 437/ 390, Ansal Versalia, Sector- 67A, Badshahpur, Gurgaon, Haryana-122001. The insurance policies are generally valid for one year and are renewed annually by us. Following are the details of insurance:

Particulars	Details
Policy No.	2227011223P106467965

<b>Particulars</b>	<b>Details</b>
Insurance Company	United India Insurance Company Limited
Validity Period of Insurance	04-09-2023 to 03-09-2024
Address of Company	Khewat No. 437390, Ansal Versalia Avante Residences, Sector 67a, Gurgaon-122001.
Description of item insured	FMCG Goods
Sum Insured	Rs. 50.00 Lakhs
Policy type	Burglary Standard Policy

For more details, Please refer Risk factor on page no 28 of this Draft Prospectus.

## KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Statutory Approvals” on page 176 of this Draft Prospectus.

### THE COMPANIES ACT

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013 and rules made thereunder. The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

### SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

### BUSINESS / TRADE RELATED LAWS / REGULATIONS

#### **The Food Safety and Standards Act, 2006 (the “FSSA”) and the Food Safety and Standard (Amendment) Bill, 2020**

The FSSA was enacted on August 23, 2006 repealing and replacing the Prevention of Food Adulteration Act, 1954. The FSSA pursues to consolidate the laws relating to food and establish the Food Safety and Standards Authority of India (“FSSAI”) for laying down scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption, and for matters connected therewith or incidental thereto. The standards prescribed by the FSSAI include specifications for food additives, flavourings, processing aids and materials in contact with food, ingredients, contaminants, pesticide residue, biological hazards and labels. Under the provisions of the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA sets forth the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. In exercise of powers under the FSSA, the FSSAI has also framed the Food Safety and Standards Rules, 2011 (“FSSR”). The FSSR sets out the enforcement structure of ‘commissioner of food safety’, ‘the food safety officer’ and ‘the food analyst’ and procedures of taking extracts, seizure, sampling and analysis. The FSSA also lays down penalties for various offences, including recall procedures. The Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 provides for the conditions and procedures for registration and licensing process for food business and lays down general requirements to be fulfilled by various food business

operators (“FBOs”), including petty FBOs as well as specific requirements to be fulfilled by businesses dealing with certain food products. In terms of the Food Safety and Standards (Food Recall Procedure) Regulations, 2017, every FBO engaged in manufacture, importation or wholesale supply of food is required to have a food recall plan. The packaging done by a FBO is required to comply with the Food Safety and Standards (Packaging) Regulations, 2018, while labelling and display of pre-packaged food items must comply with the Food Safety and Standards (Labelling and Display) Regulations 2020.

According to the Food Safety and Standards (Licensing and Registration of Food Business) Amendment Regulations, 2018, an ecommerce FBO (which includes sellers and brand owner who display or offer their food products, through e-commerce, and providers of transportation services for the food products and/or providing last mile delivery transportation to the end consumers), is required to obtain central license from the concerned central licensing authority.

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

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by tele-shopping, or direct-selling or multi-level marketing.

In line with the CPA, the Ministry of Consumer Affairs, Food and Public Distribution, Government of India has also notified the Consumer Protection (E-Commerce) Rules, 2020 (“E-Commerce Rules”) which provides a framework to regulate the marketing, sale and purchase of goods and services online. The E-Commerce Rules govern e-commerce entities which own, operate, or manage, a digital or electronic facility or platform for electronic commerce.

### **Sale of Goods Act, 1930 (the “Sale of Goods Act”)**

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

### **The Information Technology Act, 2000 (the “IT Act”) and the rules made thereunder**

The IT Act seeks to: (i) provide legal recognition to transactions carried out by various means of electronic data interchange and other means of electronic communication, commonly referred to as “electronic commerce”, involving use of alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The IT Act provides for extraterritorial jurisdiction over any offence or contravention under the IT Act committed outside India by any person, irrespective of their nationality, if the act or conduct constituting the offence or contravention involves a computer, computer system or computer network located in India. The IT Act also facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and subjects us to civil liability for failure to protect sensitive personal data.

## **Labour Law Legislations**

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Shops and Establishments Act, 1953, the Maternity Benefit Act, 1961 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

**Code on Wages, 2019**, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

**Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947

**Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organizations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others

**The Occupational Safety, Health and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020. These provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

**Prevention of Black Marketing and Maintenance of Supplies Act, 1980-** To make matters worse, in 1980 came the "Prevention of Black Marketing and Maintenance of Supplies Act." It is an "Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith".

## **TAX RELATED REGULATIONS**

### **Income Tax Act, 1961**

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its "Residential Status" and "Type of Income" involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 30<sup>th</sup> September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### **Goods and Service Tax Act, 2017**

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith

or incidental thereto. In line with CGST Act, each state Governments have enacted State Goods and Service Tax Act for respective states.

Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2016, following the passage of Constitution 101st Amendment Bill. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination principle in addition to the Customs Duty which has not been subsumed in the GST.

### **State Tax on Profession, Trades, Callings and Employment Rules, 1975**

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 tax is charged as per the List II of the Constitution. The professional tax is 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.

## **LAWS RELATED TO FOREIGN TRADE**

### **Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder**

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the 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 and Foreign Exchange Management (Export of Goods and Services) Regulations, 2000 for regulation on exports of goods and services. 100 % FDI is permitted under the automatic route in the IT sector.

### **Foreign Trade Policy 2015-2020**

FTP 2015-20 provides a framework for increasing exports of goods and services as well as generation of employment and increasing value addition in the country, in line with the ‘Make in India’ programme. It introduces two new schemes, namely ‘Merchandise Exports from India Scheme (MEIS)’ for export of specified goods to specified markets and ‘Services Exports from India Scheme (SEIS)’ for increasing exports of notified services. In view of the unprecedented current situation arising out of the pandemic Novel COVID-19 and to



provide continuity in the policy regime, the FTP 2015-2020, valid till 31.03.2022 has been further extended till 30.09.2022 with similar extensions made in the related procedures.

### **RoDTEP Scheme**

The Scheme for Remission of Duties and Taxes on Exported Products (“RoDTEP Scheme”), as approved by the Cabinet Committee on Economic Affairs on March 13, 2020, would act as the successor to the Merchandise Exports from India Scheme. Certain taxes/duties/levies which are outside GST, and are not refunded for exports, such as, VAT on fuel used in transportation, Mandi tax, duty on electricity used during manufacturing etc. would be covered for reimbursement under the RoDTEP Scheme. The rates under the RoDTEP Scheme are yet to be notified.

## **OTHER GENERAL REGULATIONS**

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

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### **The Indian Contract Act, 1872**

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **Registration Act, 1908**

The Registration Act, 1908 (“Registration Act”) was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

### **Competition Act, 2002**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act, 2002. The provisions of the Competition Act relating to combinations were notified on March 4, 2011 and came into effect on June 1, 2011.

Combinations which are likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act.

#### **Negotiable Instruments Act, 1881 (“NI Act”)**

The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honored by their bankers and returned unpaid.

#### **The Arbitration and Conciliation Act, 1996**

This Act was enacted by Parliament in the Forty-seventh Year of the Republic of India to consolidate and amend the law relating to domestic arbitration, international commercial arbitration and enforcement of foreign arbitral awards as also to define the law relating to conciliation and for matters connected therewith or incidental thereto. The main objectives of the Act is to comprehensively cover international and commercial arbitration and conciliation as also domestic arbitration and conciliation, to make provision for an arbitral procedure which is fair, efficient and capable of meeting the needs of the specific arbitration, 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 see 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 were 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 that, for purposes of enforcement of foreign awards, every arbitral award made in a country to which one of the two International Conventions relating to foreign arbitral awards to which India is a party applies, will be treated as a foreign award.

#### **Shops and Establishments Legislations**

Establishments are required to be registered under the provisions of local shops and establishments’ legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

### **PROPERTY RELATED LAWS**

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, and Indian Easements Act, 1882.

### **LAWS RELATED TO ENVIRONMENT**

#### **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.

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### **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.

## **LAWS RELATING TO INTELLECTUAL PROPERTY**

### **Copyright Act, 1957 (“Copyright Act”)**

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works from unauthorized uses. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies to the public, perform it, and offer for sale and hire. Software not attached to any machine for their operations in India are protected under Copyright Act, 1957.

### **Trademarks Act, 1999**

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colours or any combination thereof.

### **The Designs Act, 2000 (Designs Act)**

The objective of Designs Act it to promote and protect the design element of industrial production. It is also intended to promote innovative activity in the field of industries. The Controller General of Patents, Designs and Trade Marks appointed under the Trademarks Act shall be the Controller of Designs for the purposes of the Designs Act. When a design is registered, the proprietor of the design has copyright in the design during ten years from the date of registration.

### **The Patent Act, 1970**

The present Indian position in respect of patent law is governed by the provisions of the Patents Act, 1970 as amended by the Patents (Amendment) Act, 2005 (hereinafter referred to as the Act) and Patents Acts Rules, 2006 (hereinafter referred to as the Rules). The Patent Act aims at protecting the “INVENTIONS” in compliance with the provisions of Trade Related Intellectual Property Rights (TRIPS) system. Section 2(1)(j) of the Patent Act, 2005, defines the "invention" as a new product or as process involving an inventive step and capable of industrial application which is based on the Rule of NOVELTY.

## **LAWS RELATED TO EMPLOYMENT OF MANPOWER**

### **Employees Provident Fund and Miscellaneous Provisions Act, 1952**

Under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee’s provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee’s

contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

#### **Employees State Insurance Act, 1948, as amended (the “ESIC Act”)**

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

#### **Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)**

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs.1 million.

#### **Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015**

The Apprentices Act, 1961 was enacted with the objective of regulating the program of training of apprentices in the industry by utilizing the facilities available therein for imparting on-the-job training. The National Policy of Skill Development and Entrepreneurship 2015, launched by the Hon’ble Prime Minister on 15th July, 2015, focuses on apprenticeship as one of the key programs for creating skilled manpower in India. The Apprentices Act, 1961 makes it obligatory for employers to engage apprentices under a duly executed contract, in designated trades and in optional trades. Directorate General of Training (DGT) under Ministry of Skill Development & Entrepreneurship monitors the implementation of the scheme of apprenticeship training. All establishments having work force (regular and contract employees) of 30 or more are mandated to undertake Apprenticeship Programs in a range from 2.5% -15% of its workforce every year.

#### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government and different dates may be appointed for different provisions of this Code.

In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 (“MWA Rules”)
- Public Liability Insurance Act, 1991 (“PLI Act”)
- Industrial (Development and Regulation) Act, 1951 (“IDRA”)
- Industrial Disputes Act, 1947 (“ID Act”)
- Payment of Bonus Act, 1965 (“POB Act”)
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”)
- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946

## HISTORY AND CERTAIN CORPORATE MATTERS

### BRIEF HISTORY OF OUR COMPANY

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments. Later, on 01<sup>st</sup> August, 2022 our Company added objects relating to distribution of FMCG products of well-known brands to various retailers, Shopkeepers and other distributors & agents.

On 2<sup>nd</sup> March, 2023, the running business of the above proprietorship concern was acquired by our Company, along with the assets and liabilities of the proprietorship concern on going concern basis as on 28<sup>th</sup> February, 2023. Since incorporation, our promoters have been looking after the overall operations and major business decisions of the Company. With our absolute commitment to quality, meticulous attention and level of services, today we have established ourselves as a Manufacturer of Garments and distributor of FMCG products.

Our business is categorised in two categories:

1. Manufacturer of Garments;
2. Distribution of FMCG products.

Our Company has 8 (Eight) shareholders as on the date of filing of this Draft Prospectus.

For more details, please refer chapter titled “our business” on page 107 of this Draft Prospectus.

### CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

The following changes were made in the location of our Registered Office:

From	To	With effect from	Reason for Change
WZ-250/3, KH No. 39/6/16, Shakurpur Village, Delhi North, Delhi-110034	609, Sixth Floor, P.P. City Centre Plot No. 3, Road No. 44, Pitampura Rani Bagh Delhi North West Delhi DL 110034	19 <sup>th</sup> April, 2023	Administration purpose

### MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

Year	Key Events/Milestones/Achievements
2022	Incorporation of our Company as limited company in the name of “Davin Sons Retail Limited”
2022	Started the vertical line of business of distribution of FMCG products.
2023	Acquisition of the running business of “Jesus Shirts” vide business purchase agreement dated 2nd March, 2023.

### MAIN OBJECTS OF OUR COMPANY

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

1. To take over/acquire the existing business of the sole proprietorship firm managed in the name and style of JESUS SHIRTS by the existing promoter (Mr. Mohit Arora) along with its assets and liabilities on its going concern basis.

2. To carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers and as agents, stockists, distributors and suppliers of all kinds of readymade garments, coverings, coated fabrics, textiles, hosiery and silk or merchandise of every kind and description and other production goods, articles and things as are made from or with cotton, nylon, silk, polyester, acrylics, wool, jute and other such kinds of fiber by whatever name called or made under any process, whether natural or artificial and by mechanical or other means and all other such products of allied nature made thereof.
3. To carry on the business of manufacturers, traders, fabricators, exporters and importers of all kinds of clothing, readymade garments, jewellery, footwear, hand bags, beauty products and all accessories related to fashion & lifestyle products, or otherwise to act as agents, sub-agents, wholesalers, retailers, representatives, commission agents, franchisers and dealers of all kinds of textile clothing, wearing apparel, cosmetics, jute, linens, furnishing fabrics and fabrics of all kinds of readymade garments and clothing, lingerie hosiery, footwears, & accessories in India or abroad.
4. To carry on in India or elsewhere the business as Trader, processor, importer, exporter, distiller, refiner, fermenter, converter, bottler, distributor, preserver, packer, mover, consignor, seller, buyer, reseller, transporter, stockiest, agent, sub-agent, broker, supplier, indentor, concessionaire or otherwise to deal in all types of FMCG Goods or Consumable Goods, including soft drinks, soft drinks concentrates, syrups, effervescent drinks, aerated water, tea, coffee, mineral water, solvents, mixtures, by-products, intermediates & ingredients, whether made of natural of synthetic materials.
5. To carry on the business of processing, farming, manufacturing, distributorship, agency, broker, factors, stockiest, importer and otherwise deal in all kinds of organic and inorganic foods products and drinking products, mineral water, soft drinks, aerated mineral water, fruit drinks, artificial flavoured drinks, condensed milk and drinking products of all kinds and other consumable provision of every description for human consumption.

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

The following changes have been made in the Memorandum of Association of our Company since its incorporation:

<b>Date of Meeting</b>	<b>Type</b>	<b>Nature of Amendment</b>
1 <sup>st</sup> August, 2022	EOGM	<p>Alteration in Object Clause:</p> <p>Addition in the Object Clause 3(A) of the Company by inserting new sub clause 3(A)(4) &amp; 3(A)(5) after the existing sub clause 3(A)(3) of MOA as under:</p> <p><i>3(A)(4) To carry on in India or elsewhere the business as Trader, processor, importer, exporter, distiller, refiner, fermenter, converter, bottler, distributor, preserver, packer, mover, consignor, seller, buyer, reseller, transporter, stockiest, agent, sub-agent, broker, supplier, indentor, concessionaire or otherwise to deal in all types of FMCG Goods or Consumable Goods, including soft drinks, soft drinks concentrates, syrups, effervescent drinks, aerated water, tea, coffee, mineral water, solvents, mixtures, by-products, intermediates &amp; ingredients, whether made of natural of synthetic materials.</i></p> <p><i>3(A)(5) To carry on the business of processing, farming, manufacturing, distributorship, agency, broker, factors, stockiest, importer and otherwise deal in all kinds of organic and inorganic foods products and drinking products, mineral water, soft drinks, aerated mineral water, fruit drinks, artificial flavoured drinks, condensed milk and drinking products of all kinds and other consumable provision of every description for human consumption.</i></p>

Date of Meeting	Type	Nature of Amendment
18 <sup>th</sup> March, 2023	EOGM	Alteration in Capital Clause: The Authorise Share capital of our Company increased from Rs. 10.00 Lakh divided into 1,00,000 Equity Shares of Rs.10/- each to Rs. 600.00 Lakhs divided into 60,00,000 Equity Shares of Rs.10/- each

#### **OUR HOLDING COMPANY**

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

#### **OUR SUBSIDIARY COMPANY**

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

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

Our Company has acquired the running business of the M/s Jesus Shirts proprietorship concern of our promoter Mr. Mohit Arora, pursuant to a Business Purchase Agreement dated 2<sup>nd</sup> March, 2023 entered among Mr. Mohit Arora proprietor of M/s Jesus Shirts and promoter of our Company and Davin Sons Retail Limited. Major details of the agreement are as below –

- (i) Our Company acquired the business of M/s. Jesus Shirts for an aggregate sale consideration of Rs. 47.75 Lakhs including all its assets and liabilities as on 28<sup>th</sup> February, 2023;
- (ii) The Company has issued 59,687 Equity shares at a price of Rs. 80.00 per equity shares of face value Rs. 10 each to Mr. Mohit Arora towards the sale consideration payable to him amounting to Rs. 47.75 Lakhs.

#### **SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS**

We do not have any financial or strategic partnerships as on the date of this Draft Prospectus.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Prospectus.

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

There has been no time and cost overruns in the Company on date of this Draft Prospectus.

#### **LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES**

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “Our Business” beginning on page 107 of this Draft Prospectus.

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

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Draft Prospectus.



## **JOINT VENTURES**

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

## **SHAREHOLDERS' AGREEMENT**

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTOR, PROMOTERS OR ANY OTHER EMPLOYEE**

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

## **GUARANTEES GIVEN BY OUR PROMOTER**

Except as disclosed in the Draft Prospectus, no guarantee has been issued by our Promoter.

## **MATERIAL AGREEMENTS**

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

## **STRATEGIC PARTNERS**

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

## **FINANCIAL PARTNERS**

As on the date of this Draft Prospectus, our Company does not have any other financial partners.

## **OTHER DETAILS ABOUT OUR COMPANY**

*For details of our Company's activities, services, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled "Our Business", "Management's Discussion and Analysis of Financial Conditions and Results of Operations" and "Basis for Issue Price" on pages 107, 161 and 83 respectively of this Draft Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "Our Management" and "Capital Structure" beginning on page 136 and 61 of the Draft Prospectus respectively.*

**OUR MANAGEMENT**
**BOARD OF DIRECTORS**

As of the date of this Draft Prospectus, our Company has 5 (Five) Directors on the Board, 1 (One) as Chairman and Managing Director, 1 (One) as Whole Time Director, 1 (One) as Non-Executive Non-Independent women Director and 2 (Two) as Independent Women Directors.

The details of the Directors are as mentioned in the below table:

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
<p><b>Name:</b> Mr. Mohit Arora</p> <p><b>Father's Name:</b> Mr. Davender Arora</p> <p><b>Age:</b> 37 years</p> <p><b>Date of Birth:</b> October 01, 1986</p> <p><b>Designation:</b> Chairman &amp; Managing Director</p> <p><b>Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Managing Director for a period of 5 years with effect from 6<sup>th</sup> June, 2023.</p> <p><b>DIN:</b> 07231072</p>	<p>Appointed as a first Director of the Company on 8<sup>th</sup> February, 2022.</p> <p>Re-designated as Chairman &amp; Managing Director on 6<sup>th</sup> June, 2023</p>	<p>1. Davin Impex Private Limited</p>
<p><b>Name:</b> Mr. Nohit Arora</p> <p><b>Father's Name:</b> Mr. Davender Arora</p> <p><b>Age:</b> 33 years</p> <p><b>Date of Birth:</b> June 08, 1990</p> <p><b>Designation:</b> Whole Time Director</p> <p><b>Address:</b> C - 5/92, Rohini, Sec -11, North west, Delhi - 110085, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Retire by rotation.</p>	<p>Appointed as a Whole Time Director w.e.f. 30<sup>th</sup> November, 2023</p>	<p>Upvastra Clothing Private Limited</p>

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
<b>DIN:</b> 09424503		
<b>Name:</b> Ms. Sonam Arora <b>Father's Name:</b> Mr. Kashmiri Lal <b>Age:</b> 34 years <b>Date of Birth:</b> September 11, 1989 <b>Designation:</b> Non-Executive Director <b>Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Liable to retire by rotation <b>DIN:</b> 10163260	Appointed as Director on 15 <sup>th</sup> May, 2023 and redesignated as Non Executive Director w.e.f. 23 <sup>rd</sup> May, 2023.	Nil
<b>Name:</b> Ms. Sapna <b>Father's Name:</b> Mr. Rajesh Kumar <b>Age:</b> 29 years <b>Date of Birth:</b> February 27, 1994 <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> 402, Tower 15, Savitry Green, VIP Road, Zirakpur, SAS Nagar (Mohali), Punjab-140603 <b>Occupation:</b> Professional <b>Nationality:</b> Indian <b>Term:</b> Appointed as Non-Executive Independent Director for a period of 5 years with effect from November 30, 2023 <b>DIN:</b> 10294154	Appointed as Non-Executive Independent Director w.e.f. 30 <sup>th</sup> November, 2023	1. Spaceship Infra Limited
<b>Name:</b> Ms. Saloni Mehra <b>Father's Name:</b> Mr. Madan Arora <b>Age:</b> 29 years	Appointed as Non-Executive Independent Director on 25 <sup>th</sup> April, 2023 and redesignated on 23 <sup>rd</sup> May, 2023	1. Krishna Ventures Limited; 2. Chandranshu Marketing Limited

Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Re appointment	Other Directorships
<p><b>Date of Birth:</b> January 08, 1994</p> <p><b>Designation:</b> Non-Executive Independent Director</p> <p><b>Address:</b> H.No, 49 Katra Moti Ram I/s Hathi Gate, wc: Amritsar-I, PO: Amritsar G.P.O, (Punjab)-143001</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> Appointed as Non-Executive Independent Director for a period of 5 years with effect from April 25, 2023</p> <p><b>DIN:</b> 10062907</p>		

#### BRIEF PROFILE OF OUR DIRECTORS

**Mr. Mohit Arora**, aged 37 years, is the Promoter, Chairman & Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He is Higher Secondary and having rich experience of more than 15 years in the Garment & Textile Industry and distribution. His experience in the Garment & Textile Industry and distribution channel & Networking and his attention to detail are the qualities that ensure that every activity is undertaken and implemented smoothly and professionally. He looks after of routine operational activities of our Company. With his experience, he guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. He is on Board of Company since incorporation i.e. 8<sup>th</sup> February, 2022.

**Mr. Nohit Arora**, aged 33 years, is the Promoter of our Company. He is Higher Secondary and having rich experience of more than 10 years in Garment & Textile Industry and distribution. His experience in Textile Industry and distribution channel & Networking are the qualities that ensure that every activity is undertaken and implemented smoothly. He guides Company in growth strategies, operations, opportunities and lighting the Company in increasing its scale. He has been associated with our Company since incorporation i.e. 8<sup>th</sup> February, 2022. He holds 5,84,130 Equity Shares, representing 15.93% of the issued, subscribed and paid-up Equity Share capital of our Company.

**Ms. Sonam Arora**, aged 34 years, is the Non-Executive Director of our Company. She is Graduate in Arts. She has knowledge and experience in the fields of marketing as a freelancer. She is result oriented, focused, hardworking person and provides marketing advice and guidance to the members of the Board of Directors. She is on the Board of the Company since 15<sup>th</sup> May, 2023.

**Ms. Sapna**, aged 29 years, is Independent Director of our Company. She is an Associate Member of The Institute of Company Secretaries of India (ICSI). She is Company Secretary. She has almost 4 year working experience in the field of corporate law, Securities law, SEBI Compliance, Trademark, and Compliances. As an Independent Director of our Company with Corporate acumen & experience, she brings value addition to our Company. She is on Board of Company since 30<sup>th</sup> November, 2023.

**Ms. Saloni Mehra** aged 29 years, is Independent Director of our Company, She is the qualified Associate member of the Institute of Company Secretaries of India (ICSI), a Post Graduate Commerce (M. Com) from GNDU Regional University and a Graduate in Commerce (B.Com.) from GNDU University. She has more than 2 years of experience in the field of Corporate Laws, Securities Law, SEBI Compliances, Financial

Management, Accounts and Taxation etc. in a Listed Companies, Public and Private Companies. As an Independent Director of our Company with Corporate acumen & experience, she brings value addition to our Company. She is on Board of Company since 25th April, 2023.

## CONFIRMATIONS

As on the date of this Draft Prospectus:

- Except for that (i) Mr. Mohit Arora and Ms. Sonam Arora are spouses to each other and (ii) Mr. Mohit Arora and Mr. Nohit Arora are brothers, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a promoter or director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- 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.

## DETAILS OF BORROWING POWERS

Pursuant to a Special Resolution passed at an Extra-Ordinary General Meeting of our Company held on 5<sup>th</sup> July, 2023 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of Rs. 20.00 Crores.

**REMUNERATION OF OUR DIRECTORS**

The compensation package payable to the Managing Director as resolved in the Shareholders Meeting held 7<sup>th</sup> August, 2023 is stated hereunder:

**Mr. Mohit Arora, Managing Director**

**Salary:** The total remuneration payable to Mr. Mohit Arora, Managing Director, shall be a sum of up to Rs. 1,50,000 per Month (inclusive of all salary, perquisites, benefits, incentives and allowances).

The compensation package payable to the Whole Time Director as resolved in the Shareholders Meeting held 30<sup>th</sup> November, 2023 is stated hereunder:

**Mr. Nohit Arora, Whole Time Director**

**Salary:** The total remuneration payable to Mr. Nohit Arora, Managing Director, shall be a sum of up to Rs. 80,000 per Month (inclusive of all salary, perquisites, benefits, incentives and allowances).

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 2013, for the time being in force). The Remuneration / Sitting Fees paid to the Director during the last F.Y. 2022 - 23 is as follows:

Sr. No.	Name	Designation	Remuneration / Sitting Fees paid
1.	Mr. Mohit Arora	Chairman & Managing Director	Rs. 4.46 Lakhs
2.	Mr. Nohit Arora	Whole Time Director	N.A.
3.	Ms. Sonam Arora	Non-Executive Director	Rs. 4.29 Lakhs
4.	Ms. Sapna	Independent Director	N.A.
5.	Ms. Saloni Mehra	Independent Director	N.A.

**SITTING FEES**

Since all the Independent Directors were appointed after the closure of FY 2022-23, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings during the financial year. However, Our Board of Directors have resolved in their meeting dated 25<sup>th</sup> April, 2023 for payment of an amount not exceeding Rs. 1.00 Lac as approved by the Board to all Non-Executive Director and Independent Directors for attending each such meeting of the Board or Committee thereof.

**PAYMENT OF BENEFITS (NON-SALARY RELATED)**

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus 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.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS**

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

## **BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS**

None of the Directors are party to any bonus or profit-sharing plan of our Company.

## **SHAREHOLDING OF OUR DIRECTORS**

Our Articles of Association do not require our directors to hold any qualification shares. The details of the shareholding of our directors as on the date of this Draft Prospectus are as follows:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>No. of Equity Shares</b>	<b>Percentage of Pre-Issue Capital (%)</b>
1.	Mr. Mohit Arora	19,26,126	52.53%
2.	Mr. Nohit Arora	5,84,130	15.93%
3.	Ms. Sonam Arora	19,170	0.52%
4.	Ms. Sapna	Nil	Nil
5.	Ms. Saloni Mehra	Nil	Nil

## **INTEREST OF OUR DIRECTORS**

All the Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses payable to them under the Articles, and to the extent of remuneration paid to them for services rendered as an officer or employee of the Company. For further details, please refer to Chapter titled “Our Management” beginning on page 136 of this Draft Prospectus.

Our directors may also be regarded as interested to the extent of their shareholding and dividend payable thereon, if any, and to the extent of Equity Shares, if any held by them in our Company or held by their relatives. Further our director is also interested to the extent of unsecured loans or personal guarantee or guarantee of their personal property, if any, given by them to our Company. For details of Personal Guarantee given by Directors towards Financial facilities of our Company please refer to “Statement of Financial Indebtedness” and “Financial Information of the Company” on page 160 and 158 respectively of this Draft Prospectus.

Except for the purchase of the entire business of M/s. Jesus Shirts vide a Business Purchase Agreement dated 2<sup>nd</sup> March, 2023, our Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Except as stated in this section “Our Management” or the section titled “Financial information of the Company – Related Party Transactions” beginning on page 136 and 158 respectively of this Draft Prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in our business.

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

Except for the purchase of the entire business of M/s. Jesus Shirts vide a Business Purchase Agreement dated 2<sup>nd</sup> March, 2023 and details as mentioned in this Draft Prospectus, our Promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Draft Prospectus or proposed to be acquired by us as on date of this Draft Prospectus.

### **Interest in Business of the Company**

Except as stated in the chapter titled “Our Business” and “Restated Financial Statements” beginning on page 107 and 158 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

### Interest in promotion of the Company

Except Mr. Mohit Arora and Mr. Nohit Arora, who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

### CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Sr. No.	Name of the Director	Date of Appointment / Reappointment	Reason for Change
1.	Mr. Mohit Arora	8 <sup>th</sup> February, 2022	Appointed at the time of incorporation of the Company.
2.	Mr. Nohit Arora	8 <sup>th</sup> February, 2022	Appointed at the time of incorporation of the Company.
3.	Mr. Davinder Arora	8 <sup>th</sup> February, 2022	Appointed at the time of incorporation of the Company.
4.	Mr. Mohit Arora	6 <sup>th</sup> June, 2023	Change in Designation from Director to Chairman and Managing Director
5.	Mr. Ashray Gupta	21 <sup>st</sup> March, 2023	Appointed as Non-Executive Director
6.	Ms. Renu Kaur	25 <sup>th</sup> April, 2023	Appointed as Independent Director
7.	Ms. Saloni Mehra	25 <sup>th</sup> April, 2023	Appointed as Independent Director
8.	Mr. Nohit Arora	25 <sup>th</sup> April, 2023	Resignation as a Director due to personal reasons
9.	Mr. Davinder Arora	25 <sup>th</sup> April, 2023	Resignation as a Director due to personal reasons
10.	Ms. Sonam Arora	15 <sup>th</sup> May, 2023	Appointed as Non-Executive Director
11.	Mr. Ashray Gupta	22 <sup>nd</sup> June, 2023	Resignation as a Director due to personal reasons
12.	Ms. Renu Kaur	28 <sup>th</sup> November, 2023	Resignation as a Director due to personal reasons
13.	Ms. Sapna	30 <sup>th</sup> November, 2023	Appointment as an Independent Director
14.	Mr. Nohit Arora	30 <sup>th</sup> November, 2023	Appointment as a Whole Time Director

### CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR 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 LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As on the date of this Draft Prospectus, our Company has Five (5) Directors, one (1) is Chairman & Managing Director, one (1) is Whole Time Director, one (1) Non-Independent Non-Executive Women Director and Two (2) are Non-Executive women Independent Directors.



## 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 LODR Regulations: (i) Audit Committee, (ii) Stakeholders' Relationship Committee and (iii) Nomination and Remuneration Committee.

### Audit Committee

Our Board has constituted the Audit Committee vide Board Resolution dated 15<sup>th</sup> May, 2023 and reconstituted on 30<sup>th</sup> November, 2023 which was in accordance with Section 177 of the Companies Act, 2013.

The Audit committee comprises of:

Name of the Directors	Nature of Directorship	Designation in Committee
Ms. Sapna	Non-Executive Independent Director	Chairperson
Ms. Saloni Mehra	Non-Executive Independent Director	Member
Mr. Mohit Arora	Managing Director	Member

The Company Secretary & Compliance Officer of the Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - i) 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;
  - ii) Changes, if any, in accounting policies and practices and reasons for the same;
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with listing and other legal requirements relating to financial statements;
  - vi) Disclosure of any related party transactions;
  - vii) Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/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. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, 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 any significant findings and follow up there on;
15. 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;
16. 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;
17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

*Explanation (i): The term “related party transactions” shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.*

*Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.*

The Audit Committee enjoys following powers:

- i) To investigate any activity within its terms of reference.
- ii) To seek information from any employee.
- iii) To obtain outside legal or other professional advice.
- iv) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
- ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;

- iv) Internal audit reports relating to internal control weaknesses; and
  - v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
  - vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.
21. 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 committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

#### **Meeting of Audit Committee and Relevant Quorum**

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### **Stakeholders' Relationship Committee**

Our Board has constituted the Stakeholders' Relationship Committee vide Board Resolution dated 15<sup>th</sup> May, 2023 and reconstituted on 30<sup>th</sup> November, 2023 pursuant to Section 178 of the Companies Act, 2013. The Stakeholder's Relationship Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Sapna	Non-Executive Independent Director	Chairperson
Ms. Saloni Mehra	Non-Executive Independent Director	Member
Ms. Sonam Arora	Non-Executive Director	Member

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;

7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

#### **Meeting of Stakeholders’ Relationship Committee and Relevant Quorum**

The stakeholders’ Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder’s Relationship Committee shall be two members present.

#### **Nomination and Remuneration Committee**

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated 15<sup>th</sup> May, 2023 and reconstituted on 30<sup>th</sup> November, 2023 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

<b>Name of the Directors</b>	<b>Nature of Directorship</b>	<b>Designation in Committee</b>
Ms. Saloni Mehra	Non-Executive Independent Director	Chairperson
Ms. Sapna	Non-Executive Independent Director	Member
Ms. Sonam Arora	Non-Executive Director	Member

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

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

3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

#### **Meeting of Nomination and Remuneration Committee and Relevant Quorum**

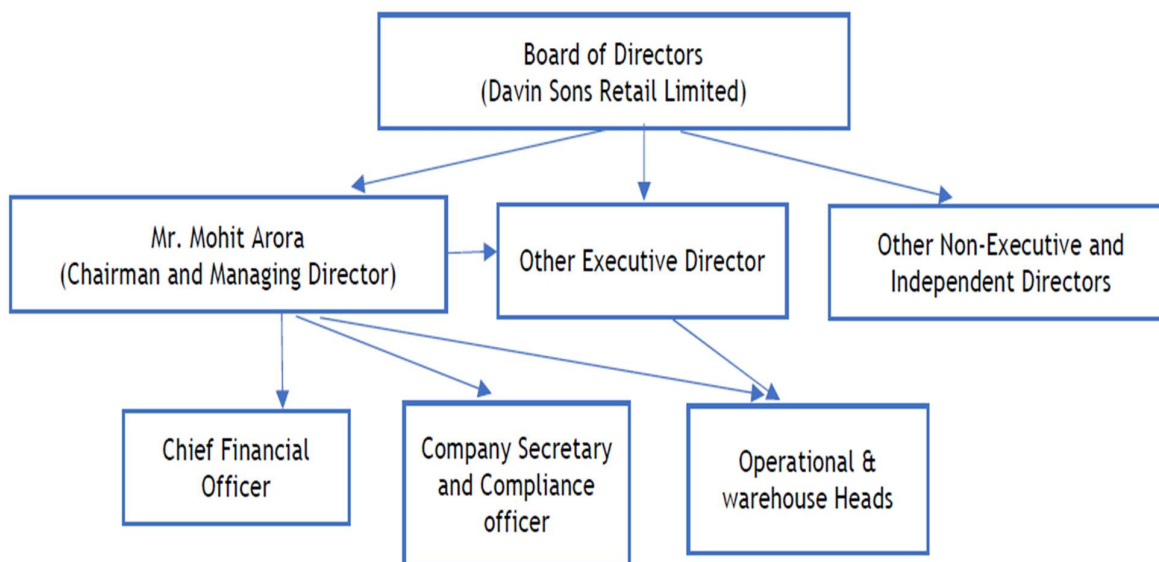
The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

#### **ORGANIZATIONAL STRUCTURE**

##### **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. Below are the details of the Key Managerial Personnel of our Company:

**Mr. Mohit Arora** is the Chairman & Managing Director of the Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 138 of this Draft Prospectus.

**Mr. Nohit Arora** is the Whole Time Director of the Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 138 of this Draft Prospectus.

**Mr. Chander Parkash**, is the Chief Financial Officer of our Company. He is having experience of 6 years in accounts and finance. He is associates with our Company with effect from 22<sup>nd</sup> June, 2023. He is graduate in commerce and is responsible all accounts and finances of the Company.

**Ms. Kavita Wadhwa**, aged 31 years, is the Company Secretary and Compliance Officer of our Company with effect from 6<sup>th</sup> June, 2023. She has completed his graduation in commerce and is an Associate member of the Institute of Company Secretaries of India. She has around Four years of experience in secretarial and Listing compliance. She is responsible for the Secretarial, Legal and Compliance division of our Company.

#### STATUS OF OUR KEY MANAGERIAL PERSONNEL

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

#### RELATIONSHIP BETWEEN OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL

None of our directors are related to each other or to our Key Managerial Personnel Except that (i) Ms. Sonam Arora is spouse of Mr. Mohit Arora and (ii) Mr. Mohit Arora and Mr. Nohit Arora are brothers.

#### SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL

None of our KMPs holds any shares of our Company as on the date of this Draft Prospectus except as stated in the below table.

Sr. No.	Name of the KMP	No. of Share held	% of Shareholding
1.	Mr. Mohit Arora	19,26,126	52.53%
2.	Mr. Nohit Arora	5,84,130	15.93%

For further details please see chapter titled “*Capital Structure*” on page 61 of this Draft Prospectus.

#### SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL

Our Key Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

#### INTEREST OF KEY MANAGERIAL PERSONNEL

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.

**ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been selected as the Key Managerial Personnel of our Company.

**BONUS OR PROFIT-SHARING PLAN OF THE DIRECTORS AND KEY MANAGEMENT PERSONNEL**

There is no profit-sharing plan for the Key Managerial Personnel. However, our Company provides performance linked bonus payments, in accordance with their terms of appointment.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

**EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN**

Our Company does not have an employee stock option scheme as on the date of this Draft Prospectus.

**PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL**

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

**CHANGES IN OUR KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT PROSPECTUS**

The changes in our Key Managerial Personnel during the three years immediately preceding the date of filing of this Draft Prospectus are set forth below.

Name	Designation	Date of Appointment/ Change in designation	Reason for Change
Mr. Mohit Arora	Managing Director	6 <sup>th</sup> June, 2023	Designated as Managing Director
Mr. Chander Parkash	Chief Financial Officer	22 <sup>nd</sup> June, 2023	Appointed as Chief Financial Officer
Ms. Kavita Wadhwa	Company Secretary and Compliance Officer	6 <sup>th</sup> June, 2023	Appointed as Company Secretary and Compliance Officer
Mr. Nohit Arora	Whole Time Director	30 <sup>th</sup> November, 2023	Appointed as Whole Time Director

**ATTRITION OF KEY MANAGERIAL PERSONNEL**

The attrition of Key Managerial Personnel is not high in our Company compared to the industry.


### OUR PROMOTERS AND PROMOTER GROUP


As on the date of this Draft Prospectus, our Promoters and Promoter Group holds 33,24,978 Equity Shares, representing 90.68% of the issued, subscribed and paid-up Equity Share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, please see “Capital Structure” beginning on page 61 of this Draft Prospectus.

#### Our Promoters:

Mr. Mohit Arora and Mr. Nohit Arora are the Promoters of our Company. As on the date of this Draft Prospectus, our Promoters hold 25,10,256 Equity shares representing 68.46% of the issued, subscribed and paid-up Equity Share capital of our Company.

#### The details of our Promoters are as under:

Mr. Mohit Arora	
	<p><b>Mr. Mohit Arora</b>, aged 37 years, is the Promoter, Chairman &amp; Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He is Higher Secondary and having rich experience of more than 15 years in the Garment &amp; Textile Industry and distribution. His experience in the Garment &amp; Textile Industry and distribution channel &amp; Networking and his attention to detail are the qualities that ensure that every activity is undertaken and implemented smoothly and professionally. He looks after of routine operational activities of our Company. With his experience, he guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. He is on Board of Company since incorporation i.e. 8<sup>th</sup> February, 2022. He holds 19,26,126 Equity Shares, representing 52.53% of the issued, subscribed and paid-up Equity Share capital of our Company.</p>
	<b>Date of Birth:</b> October 01, 1986
	<b>Experience:</b> 15 years
	<b>Nationality:</b> Indian
	<b>PAN:</b> AHJPA1385N
	<b>Bank Account Details:</b> Indusind Bank Limited, Account No. 159899770290, Branch: Badshahpur - Gurgaon
	<b>Residential Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101
	<b>Other Interests:</b> Davin Impex Private Limited

Mr. Nohit Arora	
	<p><b>Mr. Nohit Arora</b>, aged 33 years, is the Promoter of our Company. He is Higher Secondary and having rich experience of more than 10 years in Garment &amp; Textile Industry and distribution. His experience in Textile Industry and distribution channel &amp; Networking are the qualities that ensure that every activity is undertaken and implemented smoothly. He guides Company in growth strategies, operations, opportunities and lighting the Company in increasing its scale. He has been associated with our Company since incorporation i.e. 8<sup>th</sup> February, 2022. He holds 5,84,130 Equity Shares, representing 15.93% of the issued, subscribed and paid-up Equity Share capital of our Company.</p>



<b>Mr. Nohit Arora</b>	
	<b>Date of Birth:</b> June 08, 1990
	<b>Experience:</b> 10 years
	<b>Nationality:</b> Indian
	<b>PAN:</b> ARKPA5919R
	<b>Bank Account Details:</b> ICICI Bank Limited, Account No. 085801000774, Branch: Badshahpur - Gurgaon
	<b>Residential Address:</b> C 1079, Ansal Esencia, Golf Course extension Road, Badshahpur, Sector 67, Badshahpur, Gurgaon, Haryana- 122101
	<b>Other Interests:</b> Upvastra Clothing Private Limited

For brief biography of our Individual Promoters, please refer to Chapter titled “Our Management” beginning on page 136 of this Draft Prospectus.

#### **DECLARATION**

1. We confirm that the Permanent Account Number, Bank Account Number, Aadhaar Card Number of our Promoters has been submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange.
2. Our Promoters and the members of our Promoter Group have confirmed that they have not been identified as wilful defaulters or fraudulent borrowers by the RBI or any other governmental authority.
3. Our Promoters have not been declared as a fugitive economic offender under the provisions of section 12 of the Fugitive Economic Offenders Act, 2018.
4. No violations of securities law have been committed by our Promoters or members of our Promoter Group or any Group Companies in the past or is currently pending against him. None of (i) our Promoters and members of our Promoter Group or persons in control of or on the boards of bodies corporate forming part of our Group Companies (ii) the Companies with which any of our Promoters are or were associated as a promoters, director or person in control, are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.
5. Our Promoters, Mr. Mohit Arora and Mr. Nohit Arora are brothers.

#### **CHANGE IN CONTROL OF OUR COMPANY**

There has not been any change in the control of our Company since incorporation of the Company.

#### **EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY**

**Mr. Mohit Arora**, aged 37 years, is the Promoter, Chairman & Managing Director of our Company. He has been on the Board of Directors of our Company since incorporation. He is Higher Secondary and having rich experience of more than 15 years in the Garment & Textile Industry and distribution. His experience in the Garment & Textile Industry and distribution channel & Networking and his attention to detail are the qualities that ensure that every activity is undertaken and implemented smoothly and professionally. He looks after of routine operational activities of our Company. With his experience, he guides Company in growth strategies and lighting the Company in increasing its scale in leaps and bounds. He is on Board of Company since incorporation i.e. 8<sup>th</sup> February, 2022. He holds 19,26,126 Equity Shares, representing 52.53% of the issued, subscribed and paid-up Equity Share capital of our Company.

**Mr. Nohit Arora**, aged 33 years, is the Promoter of our Company. He is Higher Secondary and having rich experience of more than 10 years in Garment & Textile Industry and distribution. His experience in Textile Industry and distribution channel & Networking are the qualities that ensure that every activity is undertaken and implemented smoothly. He guides Company in growth strategies, operations, opportunities and lighting the Company in increasing its scale. He has been associated with our Company since incorporation i.e. 8<sup>th</sup> February, 2022. He holds 5,84,130 Equity Shares, representing 15.93% of the issued, subscribed and paid-up Equity Share capital of our Company.

## **INTEREST OF OUR PROMOTERS**

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid and to the extent of any equity shares held by him or his relatives and associates or held by the companies, firms and trusts in which he is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 61, 158 and 136 of this Draft Prospectus.

### **Interest of Promoters in the Promotion of our Company**

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

### **Interest of Promoters in the Property of our Company**

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

### **Interest in our Company arising out of being a member of a firm or company**

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to him or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify him as a director, or otherwise for services rendered by him or by such firm or Company in connection with the promotion or formation of our Company.

### **Interest in our Company other than as Promoters**

Except as mentioned in this chapter and chapters titled “*Our Business*”, “*History and Certain Corporate Matters*”, “*Our Management*” and “*Restated Financial Statements*” beginning on pages 107, 132, 136 and 158, respectively, our Promoters do not have any other interest in our Company.

## **COMMON PURSUITS OF OUR PROMOTERS**

Our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company except for our promoter’s group entity namely, Davin Impex Private Limited and Upvastra Clothing Private Limited are engaged in business similar to those carried out by our Company.

*For further details, please refer related party transactions and risk factor on page no 156 and page no 28 of this Draft prospectus respectively.*

**BUSINESS INTERESTS**

Our Promoters are not interested as a member of a firm or Company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

**PAYMENT OF AMOUNTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS**

Except as stated in the chapter titled “*Restated Financial Statements*” beginning on page 158 of this Draft Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Prospectus.

**MATERIAL GUARANTEES**

Except as stated in the “*Restated Financial Statements*” beginning on page 158 of this Draft Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

**OUR PROMOTER GROUP**

Apart from our Promoters, as per Regulation 2(1)(pp) of the SEBI ICDR Regulations, the following individuals and entities shall form part of our Promoter Group:

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

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

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Mohit Arora</b>	Mr. Davinder Arora	Father
	Ms. Lalita Rani	Mother
	Ms. Sonam Arora	Spouse
	Mr. Nohit Arora	Brother
	-	Sister
	Master Garv Arora	Son
	-	Daughter
	Mr. Kashmiri Lal Gandhi	Spouse’s Father
	Mrs. Anita Gandhi	Spouse’s Mother
	Mr Aman Kumar	Spouse’s Brother
Mrs. Sonia Kapoor and Mrs. Sakshi Arora	Spouse’s Sister	

Name of the Promoter	Name of the Relative	Relationship with the Promoter
<b>Mr. Nohit Arora</b>	Mr. Davinder Arora	Father
	Ms. Lalita Rani	Mother
	Ms. Ruchi Arora	Spouse
	Mr. Mohit Arora	Brother
	-	Sister

Name of the Promoter	Name of the Relative	Relationship with the Promoter
	-	Son
	Miss Naira Arora	Daughter
	Mr. Sudama Lal Pandey	Spouse's Father
	Mrs. Mithilesh Pandey	Spouse's Mother
	Mr. Vishal Pandey	Spouse's Brother
	Mrs. Dubey Ruby Vinay Kumar	Spouse's Sister

**B. Entities forming part of the Promoter Group pursuant to Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations**

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

Sr. No.	Name of Promoter Group Entity/Company
1.	Davin Impex Private Limited
2.	Nohit Arora HUF
3.	Davinder Arora HUF
4.	Hatch Yard Private Limited
5.	Upvastra Clothing Private Limited

**C. All persons whose shareholding is aggregated pursuant to Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations for the purpose of disclosing in the Draft Prospectus under the heading "shareholding of the promoter group" - Nil**

**SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled "*Capital Structure*" beginning on page 61 of this Draft Prospectus.

**COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS**

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

**OUTSTANDING LITIGATIONS**

There is no outstanding litigation against our Promoters except as disclosed in the section titled "*Risk Factors*" and chapter titled "*Outstanding Litigations and Material Developments*" beginning on pages 28 and 171 respectively of this Draft Prospectus.

### OUR GROUP COMPANY

The definition of ‘Group Companies’ as per the SEBI ICDR Regulations, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other Companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated 30<sup>th</sup> June, 2023 our Group Companies includes:

- (i) Those Companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such Companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, our Company does not have any group company as on the date of this Draft Prospectus.

**RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to Statement of Related Parties' Transactions' of the chapter titled 'Restated Financial Statements' beginning on page no. 158 of this Draft Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. The shareholders of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

There are no dividends declared by our Company since incorporation.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

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**SECTION VII - FINANCIAL INFORMATION**

**RESTATED FINANCIAL STATEMENTS**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page Nos</b>
1	Restated Financial Statements	F1-F38





**RESTATED FINANCIAL STATEMENTS  
AUDITORS REPORT**

To,  
The Board of Directors,  
**Davin Sons Retail Limited**  
609, Sixth Floor, P.P City Centre, plot no. 3  
Road no. 44, Pitampura, Rani bagh  
North West Delhi-110034 India.

Dear Sirs/Madam,

**1. Report on Restated Financial Statements:**

We have examined the Restated Financial Statements of **M/s. Davin Sons Retail Limited** (herein after referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

a) Section 26 of Companies Act, 2013 (hereinafter referred to as the- "Act"), read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended;

b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto from time to time;

c) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE ("IPO" or "SME IPO");

d) The (Revised) Guidance Note on Reports in Company Prospectus issued by the Institute of Chartered Accountants of India ("ICAI"); and

e) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, we, M/s Sharma Sharma & Co, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate issued by the "Peer Review Board" of the ICAI.

2. The Restated Summary Statements and Financial information of the Company have been extracted/ prepared by the management from the Audited Financial Statements of the Company for the period ended November 30, 2023 & financial years ended on March 31, 2023, March 31, 2022 which have been approved by the Board of Directors.

3. Financial Statements of the Company for the period ended November 30, 2023 have been audit by Sharma Sharma & Co. and financial year ended March 31, 2023 have been audited by us M/s N K Mittal & Associates and whereas for the year ended March 31, 2022 have been audited by M/s N K Mittal & Associates. accordingly, reliance has been placed on the financial information examined by them for the said year. The Financial Report included for that year is based solely on the report submitted by them.

**Sharma Sharma & Co.**  
Chartered Accountants



#### 4. Financial Information as per Audited Financial Statements:

1) We have examined:

- The attached Restated Statement of Assets and Liabilities of the Company as at November 30, 2023, March 31, 2023, March 31, 2022 (Annexure I);
- The attached Restated Statement of Profit and Losses of the Company for the period ended on November 30, 2023 & financial year ended on March 31, 2023, March 31, 2022 (Annexure II);
- The attached Restated Statement of Cash Flows of the Company for the period ended on November 30, 2023 & financial year ended on ended on March 31, 2023, March 31, 2022 (Annexure III);
- The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as “Restated Financial Statements” or “Restated Summary Statements”)

2) In accordance with the requirements of sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the SEBI Regulations, the Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (the “ICAI”) and the terms of our engagement agreed with you, we report that:

- a) The “Restated Statement of Assets and Liabilities” as set out in Annexure I to this report, of the Company for the period ended on November 30, 2023 & financial years ended on March 31, 2023, March 31, 2022 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, 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 the Restated Summary Statements as set out in Annexure IV to this Report.
- b) The “Restated Statement of Profit and Loss” as set out in Annexure II to this report, of the Company for the period ended on November 30, 2023 & financial years ended on March 31, 2023, March 31, 2022 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, 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 the Restated Summary Statements as set out in Annexure IV to this Report.
- c) The “Restated Statement of Cash Flow” as set out in Annexure III to this report, of the Company for the period ended on November 30, 2023 & financial years ended on March 31, 2023, March 31, 2022 are prepared by the Company and approved by the Board of Directors. This 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 Restated Summary Statements as set out in Annexure IV to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the period ended on November 30, 2023 & financial year ended on March 31, 2023, March 31, 2022, we are of the opinion that “Restated Financial Statements” or “Restated Summary Statements” have been made after incorporating:

- (i) No Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- (ii) There are no Extra-ordinary items except as shown in the Restated Profit & Loss Statement of that need to be disclosed separately in the Restated Summary Statements.
- (iii) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped 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 the Restated Summary Statements as set out in **Annexure IV** to this Report.

- (iv) Adjustments in Financial Statements have been made in accordance with the correct accounting policies as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (v) There are no revaluation reserves, which need to be disclosed separately in the “**Restated Financial Statements**”.
- (vi) The Company has not paid any dividend on its equity shares during the period ended November 30, 2023 & financial year ended March 31, 2023, March 31, 2022.

#### 5. Other Financial Information:

- I) We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period ended on November 30, 2023 & financial years ended on March 31, 2023, March 31, 2022.

Restated Statement of Share Capital, Reserves and Surplus	Annexure A
Restated Statement of Long-Term Borrowings	Annexure B
Restated Statement of Details of Deferred Tax Liabilities / Assets	Annexure C
Restated Statement of Trade Payables	Annexure D
Other Current Liabilities and Provisions	Annexure E
Restated Statement of Property Plant & Equipment	Annexure F
Restated Statement of Other Non-Current Assets and Long-term loan and Adv	Annexure G
Restated Statement of Inventories	Annexure H
Restated Statement of Trade Receivables	Annexure I
Restated Statement of Cash & Cash Equivalents	Annexure J
Restated Statement of Short-Term Loans and Advances and Other Current Assets	Annexure K
Restated Statement of Revenue from Operations	Annexure L
Restated Statement of Other Income	Annexure M
Restated Statement of Purchase of Stock in Trade	Annexure N
Restated Statement of Changes in Inventories	Annexure O
Restated Statement of Employee Benefit Expenses	Annexure P
Restated Statement of Finance Cost	Annexure Q
Restated Statement of Operational & Other Expenses	Annexure R
Restated Statement of Mandatory Accounting Ratios	Annexure S
Restated Statement of Related Party Transactions	Annexure T
Restated Statement of Tax Shelters	Annexure U

- II) The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and disclosures as required by Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 issued by the Ministry of Corporate Affairs in respect of the section 133 of the Companies Act, 2013 and Income Computation Disclosure Standards (ICDS) I to X issued by CBDT, wherever applicable, unless contrary to the requirement of Accounting Standards prescribed under section 133 of the Act.
- III) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.



- IV) In our opinion, the above financial information contained in Annexure I to Annexure III and Annexure A to W of this report read along with the Restated Statement of Significant Accounting Policies and related Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Section 26 of the Act, read with the applicable provisions within Rule - 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
- V) Consequently, the financial information has been prepared after making such regroupings and retrospective adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- VI) The report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit report, nor should this have constructed as a new opinion on any of the financial statements referred to herein.
- VII) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- VIII) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME-IPO for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

## 6. Auditor's Responsibility:

Our responsibility is to express an opinion on these restated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## 7. Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable;

- a) In the case of Restated Statement of Assets and Liabilities of the Company as at November 30, 2023, March 31, 2023, March 31, 2022;



b) In the case of the Restated Statement of Profit and Loss of the Company for the period ended on November 30, 2023 & Financial Years ended on March 31, 2023, March 31, 2022;

c) In the case of the Restated Cash Flow Statement of the Company for the period ended on November 30, 2023 & Financial Years ended on March 31, 2023, March 31, 2022;

For Sharma Sharma & Co.  
Chartered Accountants  
Firm Registration Number: 009462N

Suvir Sharma  
(Partner)  
Membership Number: 088272  
UDIN: 23088272BGXAOU9643

Place: New Delhi  
Date: 18.12.2023

## Annexure- IV

### Summary of significant accounting policies and other explanatory information

(All amounts in ₹ except otherwise stated)

#### 1 Company Background

Davin Sons Retail Limited (the 'Company') was incorporated on 08th February, 2022 as a Public Limited Company under Companies Act, 2013. The Company is engaged in business of wholesale business of FMCG Products. The company has acquired the existing running business of the sole proprietorship firm managed in the name and style of JESUS SHIRTS from Mr. Mohit Arora vide Business Purchase Agreement dated 2nd March, 2023 along with all its assets and liabilities on its going concern basis and to carry on the business of manufacturers, importers, exporters, buyers, sellers, dealers and as agents, stockiest, distributors and suppliers of all kinds of readymade garments all other such products of allied nature made thereof.

#### 2 Summary of Significant Accounting Policies

##### A. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (as amended) and Companies (Accounts Standards) Rules, 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

##### B. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management of the Company to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Difference between the actual result and estimates are recognized in the period in which the results are known / materialized. Significant estimates used by management in the preparation of these financial statements includes estimates of the economic useful lives of property, plant and equipment.

##### C. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be easily measured.

a) In case of revenue from contracts with customers, revenue is recognized as per the terms of contract.

b) In case of revenue from trading of products, revenue is recognized when all the risk and rewards are transferred to customers and invoice is raised.

Revenue earned in excess of billings done during the year are classified as unbilled revenue while billing in excess of revenue earned is classified as unearned revenue. Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

##### D. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost of an asset comprises of its purchase price and direct cost attributable to bringing the asset to its present condition for its intended use and borrowing cost on qualifying assets. Leasehold improvements are depreciated on a straight-line basis over the period of lease.



Advances paid towards acquisition of property, plant and equipment, outstanding at each balance sheet date are disclosed as capital advances.

The Management estimates the useful lives of the assets as per the indicative useful life prescribed in Schedule II to the Companies Act, 2013.

Block of assets	Estimated useful lives (years)	
	By management	Per schedule II
Plant & Machinery	15	15
Office Equipment	5	5
Computers	3	3
Furniture and fixtures	10	10

**E. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of that asset till the date of capitalization of qualifying asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**DAVIN SONS RETAIL LIMITED**  
(U14101DL2022PLC393510)

**Summary of significant accounting policies and other explanatory information**

(All amounts in ₹ except otherwise stated)

**F. Foreign currency transactions**

We have not carried out any foreign currency transaction during the year.

**G. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**H. Employee benefits**

- (i) The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with the Employees' Provident Fund and Miscellaneous Provision Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.



- (ii) Gratuity is a post-employment benefit and is a defined benefit plan. The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets (if any), together with adjustments for unrecognized past service costs. The Company's obligation in respect of the plan is provided for based on actuarial valuation carried out as at the Balance Sheet date by an independent actuary using the projected unit credit method. Actuarial gain or loss arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gain or loss arise.
- (iii) All short-term employee benefits are recorded as expenses. Short term employee benefits including salaries, non-monetary benefits (such as medical care).

#### I. Tax expense

Tax expense comprises current tax and deferred tax at the applicable enacted or substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period. Tax liability has been computed being higher of Minimum Alternate Tax (MAT) and tax under normal provisions of Income-tax Act. MAT credit are being recognized that there is convincing evidence that the Company will pay normal tax. The excess tax paid under MAT provisions being over and above regular tax liability can be carried forward for a period of ten years from the year of recognition and is available for set off against future tax liabilities computed under regular tax provisions. Deferred tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one period and is capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

#### J. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturity of three months or less.

#### K. Impairment

At each Balance Sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment based on internal or external factors. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognized immediately as income in the Statement of Profit and Loss.

### DAVIN SONS RETAIL LIMITED

(U14101DL2022PLC393510)

#### Summary of significant accounting policies and other explanatory information

(All amounts in ₹ except otherwise stated)

#### L. Leases

Leases where the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets at inception and the present value of minimum lease payments. Lease payments are apportioned between the finance charge and the outstanding liability. The finance charge is allocated to periods during the lease term at a constant periodic rate of interest on the remaining balance of the liability.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Lease rentals in respect of assets taken under operating leases are charged to statement of profit and loss on a straight-line basis over the lease term unless other systematic basis is more representative of the time pattern of the benefit.





#### M. Contingent liabilities

The Company creates a provision where there is a present obligation as result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### Other Notes:

##### 1. Realizations:

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

##### 2. Contractual liabilities

All other contractual liabilities connected with the business operations of the Company have been appropriately provided for.

##### 3. Adjustment in profit & Loss

In the Financial year 2022-23, other expenses representing bank charges to the tune of Rs 0.09 lacs which has been removed from other expenses and classified under Finance Cost.

##### 4. Amounts in the financial statements

Amounts in the financial statements are rounded off to nearest rupees in lakhs. Figures in brackets indicate negative values. Any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off.

For Sharma Sharma & Co.  
Chartered Accountants  
Firm Registration Number: 009462N

Suvir Sharma  
(Partner)  
Membership Number: 088272  
UDIN:

Place: New Delhi  
Date: 18.12.2023

**ANNEXURE-I**  
**STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED**

(Rs. in Lacs)

Particulars	Note No	30.11.23	31.03.23	31.03.2022
<b>Equity &amp; Liabilities</b>				
<b>Shareholders' Funds</b>				
Share Capital	A	366.68	10.97	5.00
Reserve & Surplus	A	143.42	98.40	-
<b>Total (A)</b>		<b>510.10</b>	<b>109.37</b>	<b>5.00</b>
<b>Non-Current Liabilities</b>				
Long Term Borrowings	B	0.00	128.15	-
Deferred Tax Liabilities (Net)	C	-	0.06	-
Other Long-Term Liabilities				-
<b>Total (B)</b>		<b>0.00</b>	<b>128.21</b>	<b>-</b>
<b>Current Liabilities</b>				
Trade Payables	D	127.14	177.11	-
Other Current Liabilities	E	14.68	3.48	-
Short Term Provisions	E	85.82	37.79	-
<b>Total (C)</b>		<b>227.64</b>	<b>218.38</b>	<b>-</b>
<b>Total (D=A+B+C)</b>		<b>737.75</b>	<b>455.97</b>	<b>5.00</b>
<b>Assets</b>				
<b>Non-Current Assets</b>				
Property, Plant & Equipment:				
(i) Tangible Assets	F	45.75	9.86	-
(ii) Intangible Assets		-	-	-
Non-current investments	G			
Deferred tax assets (net)	C	0.34	-	-
Long Term Loan & Advances	G	11.96	15.26	-
Other Non-Current Assets	G	5.50	1.50	-
<b>Total (E)</b>		<b>63.55</b>	<b>26.62</b>	<b>-</b>
<b>Current Assets</b>				
Inventories	H	188.54	117.82	-
Trade Receivables	I	367.88	201.82	-
Cash & Bank Balances	J	71.75	55.31	-
Short Term Loans & Advances & Other Current Assets	K	46.02	54.40	5.00
<b>Total (F)</b>		<b>674.19</b>	<b>429.35</b>	<b>5.00</b>
<b>Total (G=E+F)</b>		<b>737.75</b>	<b>455.97</b>	<b>5.00</b>

In terms of our report attached

For Sharma Sharma & Co

Chartered Accountants

Firm Registration Number: 009462N

Survir Sharma  
(Partner)

Membership Number: 088272

UDIN: 23088272BGXAOU9643



For Dayin Sons Retail Limited

Mohit Arora  
Director  
DIN: 07231072

Chander Prakash  
CFO



**SONAM**

Sonam Arora  
Director  
DIN: 10163260

Kavita  
Kavita Wadhwa  
Company Secretary

Place: Delhi  
Date: 18-12-2023

Place: Delhi  
Date: 18-12-2023

**ANNEXURE-II**  
**STATEMENT OF PROFIT AND LOSS, AS RESTATED**

Particulars	Note No	(Rs. in Lacs)		
		30.11.23	31.03.23	31.03.2022
<b>Income</b>				
Revenue from Operations	L	1,090.75	383.14	-
Other Income	M	-	8.19	-
<b>Total Income (A)</b>		<b>1,090.75</b>	<b>391.33</b>	<b>-</b>
<b>Expenditure</b>				
Purchase of materials	N	808.73	358.40	-
Changes in Inventories of stock in trade	O	(70.72)	(82.28)	-
Employee Benefit Expenses	P	55.52	28.36	-
Finance Cost	Q	0.26	0.09	-
Other Expenses	R	130.65	9.63	-
Depreciation and Amortization Charges	F	6.50	0.71	-
<b>Total Expenditure (B)</b>		<b>930.93</b>	<b>314.89</b>	<b>-</b>
<b>Profit before exceptional and extraordinary items and tax (C=A-B)</b>		<b>159.81</b>	<b>76.44</b>	<b>-</b>
Exceptional items (D)				
Profit before extraordinary items and tax (E=C-D)		159.81	76.44	-
Extraordinary items (F)				
<b>Net Profit before Tax (G=E-F)</b>		<b>159.81</b>	<b>76.44</b>	<b>-</b>
<b>Less: Provision for Taxes (H)</b>				
Current Tax				
Deferred Tax		41.55	19.76	-
Earlier Tax		0.40	(0.06)	-
<b>Profit (Loss) for the period (G-H)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Earnings per equity share :</b>		<b>118.66</b>	<b>56.62</b>	<b>-</b>
1) Basic				
2) Diluted		3.41	51.62	-
		3.41	51.62	-

In terms of our report attached

For Sharma Sharma & Co  
Chartered Accountants

Firm Registration Number: 009462N

Survir Sharma  
(Partner)

Membership Number: 088272

UDIN: 23088272BGXAOU9643



For Davin Sons Retail Limited

Mohit Arora  
Director

DIN: 07231072

Chander Prakash  
CFO

Place: Delhi  
Date: 18-12-2023

Sonam Arora  
Director

DIN: 10163260

Kavita Wadhwa  
Company Secretary



ANNEURE-III  
STATEMENT OF CASH FLOWS, AS RESTATED

Particulars	30.11.23	31.03.23	31.03.2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit before taxes	159.81	76.44	
Adjustment for:			
Add: Depreciation & Amortizations	6.50	0.71	
Add: Bad Debts Written Off	5.88		
Add: Discount	0.14		
Less: Interest Income	-	-	
Add: Interest Expenses	-	-	
Operating Profit before Working capital changes	172.33	77.15	
Adjustments for:			
(Increase)/ Decrease in Trade Receivable	(172.08)	(97.75)	
(Increase)/ Decrease in Short Term Loans & Advances & Other Current Assets	8.39	(3.24)	(5.00)
(Increase)/ Decrease in Inventories	(70.72)	(82.29)	
Increase/ (Decrease) in Other Current Liabilities	11.21	3.48	
Increase/ (Decrease) in Short Term Provisions	6.48	(0.01)	
Increase/ (Decrease) in Long Term Liability	-	-	
Increase/ (Decrease) in Trade Payables	(49.97)	102.64	
<b>Cash Generated from/used in Operations</b>	<b>(94.37)</b>	<b>(0.01)</b>	<b>(5.00)</b>
Direct Taxes paid	0.00	-	
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(94.37)</b>	<b>(0.01)</b>	<b>(5.00)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale / (Purchase) of Property, Plant & Equipment (Including Capital goods)	(42.39)	(4.35)	
(Increase)/ Decrease in Fixed Deposit	0.00	-	
Interest Received	-	-	
(Increase)/ Decrease in Other Non-Current Assets			
(Increase)/ Decrease in Long Term Loans & Advances	3.30	(15.26)	
(Increase)/ Decrease in Current Investments	(4.00)	-	
(Increase)/ Decrease in Non Current Investments	0.00	-	
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(43.09)</b>	<b>(19.61)</b>	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Shares Issue	56.41	-	5.00
Securities Premium on shares	225.66	-	
Increase/ (Decrease) in Long Term Borrowings	(128.15)	73.56	
Interest paid	-	-	
<b>Net Cash Flow from Financing Activities (C)</b>	<b>153.92</b>	<b>73.56</b>	<b>5.00</b>
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>16.46</b>	<b>53.94</b>	-
<b>Cash and cash equivalents at the beginning of the year / Period</b>	<b>55.30</b>	-	-
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>71.76</b>	<b>53.95</b>	-

In terms of our report attached

For Sharma Sharma & Co

Chartered Accountants

Firm Registration Number: 009462N

Survir Sharma  
(Partner)

Membership Number: 088277



For Davin Sons Retail Limited



Director  
Mohit Arora  
DIN: 07231072

Chander Prakash  
CFO

Director  
Sonam Arora  
DIN: 10163260

Kavita  
Kavita Wadhva  
Company Secretary

Place: Delhi

Date: 18/12/2023

Place: Delhi

Date: 18/12/2023

## Annexure A

## Statement of Share Capital, Reserves &amp; Surplus, as Restated

(Rs. in Lakhs)

Particulars	30.11.23	31.03.23	31.03.2022
<b>Share Capital</b>			
<b>Authorized Share Capital</b>			
60,00,000 Equity shares of Rs.10 each	600.00	600.00	
<b>Issued, Subscribed &amp; Fully Paid up Share Capital</b>			
<b>Equity Share Capital</b>			
1,09,687 shares @ Rs 10 each fully paid up	10.97		
50,000 shares @ Rs 10 each fully paid up	-	5.00	5.00
59,687 shares @ Rs 10 each fully paid up (issued for consideration other than cash)		5.97	
29,92,963 shares@ Rs 10 each fully paid up (issued for consideration other than cash)	299.30		
5,64,142 shares@ Rs 10 each fully paid up (issued against conversion of loan)	56.41		
Proprietors Capital			
<b>Share Capital (A)</b>	<b>366.68</b>	<b>10.97</b>	<b>5.00</b>
<b>General Reserves:</b>			
<b>Securities Premium</b>			
Opening Balance	41.78		
Add: Addition during the year	225.66	41.78	
Less: Utilised during the year	267.44	-	
<b>Securities Premium Carried Forward (B)</b>	<b>-</b>	<b>41.78</b>	
<b>Profit / (Loss):</b>			
Profit / (Loss) Brought Forward	56.62	-	
Add: Profit / (Loss) for the year	118.66	56.62	-
Less : Utilised for Bonus issue	(31.86)		
<b>Profit / (Loss) Carried Forward (C)</b>	<b>143.42</b>	<b>56.62</b>	<b>-</b>
<b>Total (A+B+C)</b>	<b>510.10</b>	<b>109.37</b>	<b>5.00</b>

## Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares of Rs 10/- Each, Fully paid up	30-Nov-23		31-Mar-23	
	Amount (Rs.)	No	Amount (Rs.)	No
At the Beginning of the year	10.97	1,09,687	-	-
Issued during the year	355.71	35,57,105.00	10.97	1,09,687
At the end of the year	366.68	36,66,792	10.97	1,09,687

The Company has one class of equity shares having a par value of Rs. 10/- per share. Each Equity Shares carry one vote. Dividend if any will be declared in Indian Rupees. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

(\* Issued other than cash:

1. Pursuant to the recommendation and special resolution passed at the shareholders meeting held on 23rd May 2023 to allot 5,48,435 (Five Lacs Fourty Eight Thousand Four hundred Thirty Five) Equity shares of Rs. 10/- per share as bonus share in the ratio of Seauty share for every 1 equity share held by capitalisation of Reserve.

2. Pursuant to the recommendation and special resolution passed at the shareholders meeting held on 27th June 2023 to allot 24,44,528 (Twenty Four Lacs Fourty Four Thousand Five hundred Twenty Eight) Equity shares of Rs. 10/- per share as bonus share in the ratio of 2 equity share for every 1 equity share held by capitalisation of Reserve.

**Conversion of Loan into Equity Shares:**

The Company has converted unsecured loan of Rs.2,82,07,100/- taken from director into fully paid up equity shares & Issued of 5,64,142 Equity Shares having a face value of Rs. 10/- each fully paid up at price of 50/- per equity share (including a share premium of Rs. 40/- per equity shares) at Extra Ordinary General Meeting dated 20th June, 2023.



**Annexure B****Statement of Long-Term Borrowings, as Restated**

(Rs. in Lakhs)

Particulars	30.11.23	31.03.23	31.03.2022
a. From Bank			
Business Loan (Unsecured)	-	-	
Vehicle Loan	-	-	
b. Loans from related parties			
- Unsecured loans from Directors	0.00	67.43	
- Unsecured loans from Director's Relative	0.00	60.71	
c. Other Loans & Advances (Unsecured)			
<b>Total</b>	<b>0.00</b>	<b>128.15</b>	



Annxure C

Statement of Deffered Tax Liabilities / Deffered Tax Assets, as Restated

(Rs. in Lakhs)

Particulars	30.11.2023	31.03.2023	31.03.2022
Deferred tax Liabilities	-	0.06	
Deferred tax Assets	0.34	-	
<b>Total</b>	<b>0.34</b>	<b>0.06</b>	



Annexure D  
Statement of Trade Payable, Restated

Particulars	(Rs. in Lakhs)		
	30.11.23	31.03.23	31.03.2022
Current Liabilities			
Trade Payables			
Due to Micro, small and medium enterprises			
Others			-
2 to 3 Years	127.14	177.11	
Sub Total (A)			-
	127.14	177.11	

Note: Micro and Small Enterprises

1. The Company is in the process of obtaining necessary confirmation from suppliers regarding their status under 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 accounting period/ year.
- ii. Interest paid during the period/year to MSME
- iii. Interest payable at the end of accounting period/year to MSME
- iv. Interest accrued and unpaid at the end of accounting period/year to MSME

Management believes that the figures for disclosures, if any will not be significant.

2. Trade Payable as on 30th November 2023 has been taken as certified by the management of the Company Davin Sons Retail Ltd





## Annexure E

## Statement of Other Current Liability and provision, Restated

(Rs. in Lakhs)

Particulars	30.11.23	31.03.23	31.03.2022
<b>Other Current Liabilities</b>			
Advance from Customers	10.26	3.40	
Statutory remittances Including TDS and Other Contribution to EPF, ESIC etc	3.89	0.08	
Other-Payable	0.53	-	
<b>Sub Total (B)</b>	<b>14.68</b>	<b>3.48</b>	
<b>Provisions</b>			
Provision for Duties & taxes	-	-	
VAT/GST Payable	-	-	
Income tax Provision	79.09	37.54	
Provision : Others	5.98		
Audit fees payable	0.75	0.25	
<b>Sub Total (C)</b>	<b>85.82</b>	<b>37.79</b>	
<b>Total (A+B+C)</b>	<b>100.50</b>	<b>41.27</b>	

## Notes:

1. Advance from the customers have been taken as certified by the management of the company and no security has been offered by the company against the same.



## Annexure F

## Statement of Property Plant &amp; Equipment, as Restated

(Rs. in Lakhs)

Particulars	PROPERTY, PLANT AND EQUIPMENTS				Total
	Computers	Plant & Machinery	Furniture	Office Equipment	
<b>COST OR VALUATION</b>					
At 31 March 2022	-	-			-
Additions	2.06	2.14	5.38	1.00	10.57
Disposals					
Other adjustments					
At 31 March 2023	2.06	2.14	5.38	1.00	10.57
Additions	3.60	23.20	15.52	0.07	42.39
Disposals					
Other adjustments					
At 30 November 2023	5.66	25.34	20.90	1.07	52.96
Depreciation					
Charge for the year	0.33	0.05	0.31	0.03	0.71
Disposals	-	-	-	-	-
Other adjustments	-	-	-	-	-
At 31 March 2023	0.33	0.05	0.31	0.03	0.71
Charge for the year	1.75	2.59	1.86	0.30	6.50
Disposals					
Other adjustments					
At 30 November 2023	2.07	2.64	2.17	0.33	7.21
At 31 March 2023	1.73	2.09	5.07	0.97	9.86
At 30 November 2023	3.59	22.70	18.73	0.73	45.75



Annexure G  
Statement of Other Non Current Assets, as Restated

Particulars	30.11.23	31.03.23	31.03.2022
Long Term Trade Receivables	-	-	-
Security Deposits against premises	-	-	-
Others	5.50	1.50	
<b>Total</b>	<b>5.50</b>	<b>1.50</b>	

(Rs. In Lacs)

Annexure  
Statement of Details of long terms loan and Advances, as Restated

Particulars	30.11.23	31.03.23	31.03.2022
security Deposits	11.96	15.26	
loans and Advances to Related Party-Unsecured	-	-	
Other Loans & Advances	-	-	
<b>Total</b>	<b>11.96</b>	<b>15.26</b>	

(Rs. In Lacs)

Non current Investment

Particulars	30.11.23	31.03.23	31.03.2022
Fixed Deposit with Bank	-	-	
Investment in Share	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	

(Rs. In Lacs)



Annexure H  
Statement of Inventories, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Raw Material	-	-	-
Work-in -Progress	188.54	117.82	
Material			
Stock-in-Trade	188.54	117.82	
<b>Total</b>			



## Annexure I

## Statement of Trade Receivables, as Restated

Particulars	(Rs. In Lacs)		
	30.11.23	31.03.23	31.03.2022
<b>Trade Receivable (Exceeding Six Months)</b>			
Secured, Considered Good	-	-	-
Unsecured, Considered Good	15.25	-	-
Doubtful	-	-	-
Less: Provision of Doubtful Trade Receivables	-	-	-
	15.25	-	-
<b>Trade Receivable (Less than Six Months)</b>			
Secured, Considered Good			
Unsecured, Considered Good	352.63	201.82	
Doubtful	-	-	
Less: Provision of Doubtful Trade Receivables	-	-	
	352.63	201.82	
<b>Total</b>	<b>367.88</b>	<b>201.82</b>	



## Annexure J

## Statement of Cash &amp; Cash Equivalent, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Cash balances	44.41	9.53	-
Balances with banks			
-In the Current Account	27.34	45.78	-
<b>Total</b>	<b>71.76</b>	<b>55.30</b>	<b>-</b>



## Annexure K

## Statement of Short Term Loans &amp; Advances and Other Current Assets, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
<u>Short-Term Loans &amp; Advance</u>			
Advances paid to vendors	25.34	44.53	-
Loans & Advances Reoverable	7.85	8.30	-
Prepaid Expenses	-	-	-
GST Credit	10.02	0.82	-
Advances to Employees & Labour	-	-	-
TDS			
	43.21	53.65	-
<u>Other Current Assets</u>			
Accured Interest on Bank Fixed Deposit	0.25	0.25	-
Unamortised expenses	0.17	0.50	-
Other Current Assets	2.39	-	5.00
	2.81	0.75	5.00
<b>Total</b>	<b>46.02</b>	<b>54.40</b>	<b>5.00</b>



## Annexure L

## Statement of Revenue from operation, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
b) Sale of Goods			
i) FMCG Sale	510.42	309.55	-
ii) Garment Sale	580.33	73.59	-
<b>Total</b>	<b>1,090.75</b>	<b>383.14</b>	<b>-</b>





## Annexure M

## Statement of Other Income, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Interest Income	-	0.25	-
Incentive	-	7.94	-
Dscount Received			-
<b>Total</b>	-	<b>8.19</b>	-



Annexure N

Statement of Purchase of Goods, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Purchase	808.73	358.40	-
Total	808.73	358.40	-



## Annexure O

## Statement of Changes in Inventories, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
<u>Inventories at end of year</u>			
Materials	188.54	82.28	-
	<b>188.54</b>	<b>82.28</b>	-
<u>Inventories at beginning of year</u>			
Materials	117.82	-	-
	<b>117.82</b>	-	-
<b>Decrease / (Increase) of Inventories</b>	<b>(70.72)</b>	<b>(82.28)</b>	-



## Annexure P

## Statement of Employee Benefit Expenses, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Salaries and wages	42.49	13.98	-
Contribution to provident and other fund	0.12	-	-
Staff Welfare Expenses	0.42	-	-
Directors Remuneration	12.50	14.38	-
<b>Total</b>	<b>55.52</b>	<b>28.36</b>	-



## Annexure Q

## Statement of Finance Cost, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
Interest on borrowings	-	-	-
Bank Charges	0.26	0.09	-
Other Interest	-	-	-
Processing fees	-	-	-
<b>Total</b>	<b>0.26</b>	<b>0.09</b>	<b>-</b>



## Annexure R

## Statement of Other Expenses, as Restated

(Rs. In Lacs)

Particulars	30.11.23	31.03.23	31.03.2022
<b>Direct Expenses</b>			
Job Work Expenses	76.05	-	-
Packing Materials	7.89	-	-
Labour & Wages Charges	-	-	-
Freight & Cartage Charges	-	-	-
Insurance Charges	0.10	0.24	-
Factory Expenses	-	-	-
Scrap & Wastages	-	-	-
Consumable	-	-	-
<b>Indirect Expenses</b>			
Audit Fees	2.25	0.25	-
Advertisement & Marketing Expenses	1.90	-	-
Bad Debt	5.88	-	-
Commission and Brokerage	-	0.00	-
Conveyance & Travelling Expenses	0.40	1.29	-
Discount	0.14	0.01	-
Electricity Expenses	1.06	-	-
Freight & Cartage Outward	1.68	-	-
Late Fees	0.75	0.05	-
IPO Expenses	1.09	-	-
Miscellaneous Expenses	0.48	-	-
Office Exp	3.72	1.38	-
Preliminary Expenses w/off	0.33	-	-
Printing & Stationary	0.29	0.03	-
Professional Fees & Legal Expenses	2.96	0.60	-
Postage & Courier Charges	0.03	-	-
Rent	7.56	5.09	-
ROC Expenses	6.70	-	-
Repair & Maintenance	0.64	0.00	-
Sitting Fees to Director	0.70	-	-
Software Expenses	0.04	-	-
Telephone & Mobile Exp	0.09	-	-
Transport	6.35	0.25	-
Traveling Expenses	1.37	0.41	-
Website Expenses	0.18	-	-
<b>Total</b>	<b>130.65</b>	<b>9.63</b>	<b>-</b>



Annexure S  
Statement of Accounting Ratios

(Rs. in Lakhs, except per share data)

Particulars	30.11.23	31.03.23
Net Worth (A)	510.10	109.37
Net Profit after Tax (B)	118.66	56.62
No. of Shares outstanding at the end (C)	36,66,792.00	1,09,687.00
Face Value Per share	10.00	10
Adjusted Face Value Per share for ratio calculations	10.00	10
Weighted average number of shares post effect of bonus issue (D)	34,81,827.41	1,09,687
Earnings per Share (EPS) (B / D) (Rs.)	3.41	51.62
Return on Net Worth (B / A)	23.26%	51.77%
Net Assets Value per Share (A / D)	14.65	99.71

Definitions of key ratios:

- I. **Earnings per share (Rs.):** Net Profit attributable to equity shareholders / weighted average number of equity shares. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" as issued by The Institute of Chartered Accountants of India. As per AS-20, the number of equity shares- outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. In case of a bonus issue, the bonus shares has been added to corresponding year to the extent of reserves available in the corresponding year. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.
- II. **Return on Net Worth (%):** Net Profit after tax / Net worth as at the end of the year.
- III. **Net Asset Value (Rs.):** Net Worth at the end of the year / Weighted Average Number of equity shares.
- IV. **Net Profit,** as appearing in the Statement of restated profits and losses, and Net Worth as appearing in the restated statement of Assets & Liabilities has been considered for the purpose of computing the above ratios.



## Annexure T

## Statement of Details of Related Party Transaction

## List of Related Party, as disclosed by Management:-

Key Managerial Persons(KMP)	Mohit Arora-MD
	Nohit Arora-WTD
	Chander Prakash-CFO
	Kavita Wadhwa-CS
Entities in which KMP and Relatives of KMP are Interested	NR Trading
Relatives of Director's	Lalita Rani
	Sonam Arora
	Devindra Arora

## Transaction with Key Managerial Persons and their Relatives

Particulars	30.11.23	31.03.23
<b>Part A : Transaction during the year/period</b>		
<b><u>Borrowings Received:</u></b>		
Devindra Arora	34.26	21.31
Mohit Arora	44.29	14.82
Nohit Arora	46.87	11.07
Sonam Arora	-	2.00
Ashray Gupta	-	31.37
Pooja Wadhwa		5.00
Lalita Rani		53.95
<b><u>Borrowings Repaid</u></b>		
Mohit Arora	1.60	5.55
Nohit Arora	-	5.58
Lalita Rani		0.23
<b><u>Advance Paid</u></b>		
Ruchi Arora	-	0.02
<b><u>Sales</u></b>		
A3 India Retail Private Limited		67.98
<b><u>Conversion from loan to equity</u></b>		
Ashray Gupta	51.37	-
Devinder Arora	55.57	-
lalita Rani	63.82	-
Mohit Arora	51.96	-
Nohit Arora	52.36	-
Pooja Wadhwa	5.00	-
Sonam Arora	2.00	-
<b><u>Payment to Key Management Personnel</u></b>		
<b><u>Remuneration to Director</u></b>		
Devindra Arora	-	4.93
Mohit Arora	7.90	4.46
Nohit Arora	-	4.99
Sonam Arora	4.60	-





<b><u>Sitting Fees</u></b>		
Renu Kaur		
	0.35	-
Saloni Mehra		
	0.35	-
<b>Particulars</b>	<b>30.11.23</b>	<b>31.03.23</b>
<b><u>Salary paid</u></b>		
Lalita Rani	6.90	4.90
Sonam Arora	-	4.29
Devinder Arora	5.43	
		10.17
<b><u>Long Term Borrowings (Payable)</u></b>		
Ashray Gupta	0.00	31.37
Devinder Arora	0.00	21.31
lalita Rani	0.00	53.72
Mohit Arora	0.00	9.27
Nohit Arora	-	5.49
Pooja Wadhwa	-	5.00
Sonam Arora	-	2.00
<b><u>Sundry Debtors</u></b>		
A3 India Retail Private Limited	-	68.01
<b><u>Sundry Creditors</u></b>		
NR Trading	2.33	2.33
Ashray Gupta	-	4.68
<b><u>Sitting Fees payable</u></b>		
Renu Kaur	0.12	-
Saloni Mehra	0.12	-
<b><u>Salary payable</u></b>		
Chander Prakash	0.40	-
Kavita Wadhwa	0.40	-



## Annexure U

## Statement of Tax Shelters

Particulars	30.11.23	31.03.23
Profit before tax as per Restated P/L	159.81	76.44
Applicable Corporate Tax Rate	26.00%	26.00%
Minimum Alternative Tax Rate	15.60%	15.60%
Tax as per Applicable Corporate Tax Rate (A)	41.55	19.87
<b>Adjustments</b>		
<b>Permanent differences</b>		
Expenses Disallowed under Income Tax Act, 1961	-	-
Total Permanent Differences (B)	-	-
<b>Timing Differences</b>		
Add: Depreciation as per Companies Act, 2013	6.50	0.71
Less: Depreciation as per Income Tax Act, 1961	(7.79)	-0.94
Other Disallowances including U/s 43B	-	-
Total Timing Differences (C)	(1.29)	(0.23)
Net Adjustment (D) = (B+C)	-1.29	(0.23)
Tax Expense/(saving) thereon (E)	-0.34	-0.06
Tax Payable (F) = (A+E)	41.22	19.81
Tax Payable as per MAT rate (G)	24.93	11.92
Tax Payable (Higher of F & G)	41.22	19.81

For Sharma Sharma &amp; Co

Chartered Accountants

Firm Registration Number: 009462N

Survir Sharma  
(Partner)

Membership Number: 088272

For Davin Sons Retail Limited

Director  
Mohit Arora  
DIN: 07231072

  
Chander Prakash  
CFO


Director  
Sonam Arora  
DIN: 10163260

  
Kavita  
Kavita Wadhva  
Company Secretary

Place: Delhi

Date: 18/12/2023

Place: Delhi

Date: 18/12/2023

Ratio Analysis	Numerator	30-11-2023	31-03-2023	Denominator	30-11-2023	31-03-2023	30-11-2023	31-03-2023	Ratio	% Change
		Rs in lakhs	Rs in lakhs		Rs in lakhs	Rs in lakhs				
Current Ratio	Current Assets Inventories Trade Receivables Cash and Bank balances Short-term loans and advances Other current assets	188.54 367.88 71.76 43.21 2.81	117.82 201.82 55.30 53.65 0.75	Current Liabilities Short-term borrowings Trade payables Other current liabilities Short-term provisions Any other current liabilities	- 127.14 14.69 85.82	- 177.11 3.48 37.79	0.00	0.00	1.97	50.64
Debt Equity Ratio	Total Liabilities Total Outside Liabilities	674.20 0.00	429.34 128.15	Shareholder's Equity Total Shareholders Equity	227.65 510.10	218.39 109.37	0.00	0.00	1.17	100.00
Debt Service Coverage Ratio	Net Operating Income  Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest+other adjustments like loss on sale of fixed assets, etc.	125.42	57.41	Debt Service  Current Debt Obligation (Interest & Lease payment+ Principal Repayment).	0.00	128.15	98.323.09	0.45		2,19,46,199.39
Return on Equity Ratio	Profit for the period Net Profit after taxes - preference dividend (if any)	118.66	56.62	Avg. Shareholders Equity (Beginning shareholders' equity + Ending shareholders' equity) + 2	309.74	54.69	0.38	1.04		63.00
Inventory Turnover Ratio	Cost of Goods sold (Opening Stock + Purchases) - Closing Stock	738.01	276.11	Average Inventory (Opening Stock + Closing Stock)/2	153.18	58.91	4.82	4.69		2.79
Trade Receivables Turnover Ratio	Net Credit Sales  Credit Sales	1,090.75	383.14	Average Trade Receivables  Trade Receivables) / 2	394.26	325.52	2.77	1.18		135.05
Trade Payables Turnover Ratio	Total Purchases  Annual Net Credit Purchases	808.73	358.40	Average Trade Payables  (Beginning Trade Payables + Ending Trade Payables) / 2	152.12	88.55	5.32	4.05		31.36
Net Capital Turnover Ratio	Net Sales  Total Sales - Sales Return	1,090.75	383.14	Average Working Capital  Current Assets - Current Liabilities	446.55	210.96	2.44	1.82		34.49
Net Profit Ratio	Net Profit Profit After Tax	118.66	56.62	Net Sales	1,090.75	383.14	0.11	0.15		26.39



Return on Capital employed	EBIT Profit before Interest and Taxes	159.81	76.44	Capital Employed * Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	510.10	237.58	0.31	0.32	2.63
Return on Investment	Return/Profit/Earnings			Investment **					

Note:

1. Due to Increases in Credit sale in the current period as compared to previous year
2. Due to repayment of Loan in current period by issuing shares against loan
3. Due to repayment of Loan in current period by issuing shares against loan
4. Due to increases in profit and reserve resulting from increases in revenue
6. Due to increases in Trade Receivable resulting from increases in credit sale as compared to previous year.
7. Due to increases in Credit purchase resulting from increases in credit sale as compared to previous year.
8. Due to increases in Trade Receivable resulting increases in current assets as compared to previous year.
9. Due to decreases resulting from disproportionate increase in expenses





**SHARMA SHARMA & CO.**

**CHARTERED ACCOUNTANTS**

Off.: 211, Priyanka Tower, Near Fun Cinemas, Moti Nagar, New Delhi-110015

Tel. No.: +91-9958999661, +91-11-25437609

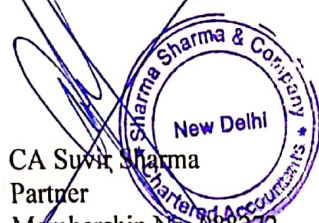
**DAVIN SONS RETAIL LIMITED**

**Detail shareholding of our Promoters and members of Promoter group in the company**

As on the date of Draft Prospectus, our Promoters and members of Promoter group held equity shares equivalent to 90.68 % of the issued, subscribed and paid up Equity share capital of the company, as set forth in the table below:

Sr. No.	Names	Pre IPO		Post IPO	
		Shares Held	%Shares Held	Shares Held	%Shares Held
	<b>Promoters (A)</b>				
1.	Mr. Mohit Arora	19,26,126	52.53	19,26,126	•
2.	Mr. Nohit Arora	5,84,130	15.93	5,84,130	•
	<b>Sub Total (A)</b>	<b>25,10,256</b>	<b>68.46</b>	<b>25,10,256</b>	<b>•</b>
	<b>Promoters Group (B)</b>				
1.	Davinder Arora	4,05,432	11.06	4,05,432	•
2.	Sonam Arora	19,170	0.52	19,170	•
3.	Lalita Rani	3,90,120	10.64	3,90,120	•
	<b>Sub Total (B)</b>	<b>8,14,722</b>	<b>22.22</b>	<b>8,14,722</b>	<b>•</b>
	<b>Total (A+B)</b>	<b>33,24,978</b>	<b>90.68</b>	<b>33,24,978</b>	<b>•</b>

For Sharma Sharma & Co.  
Chartered Accountants



CA Suvit Sharma

Partner

Membership No. 088272

FRN No.009462N

Place: Delhi

UDIN - 23088272 B4XA0D6369.

**Sharma Sharma & Co.**

*Chartered Accountants*



**SHARMA SHARMA & CO.**  
**CHARTERED ACCOUNTANTS**

Off.: 211, Priyanka Tower, Near Fun Cinemas, Moti Nagar, New Delhi-110015  
Tel. No.: +91-9958999661, +91-11-25437609

**Shares held by Promoters & Promoter Group at the end of the year 31.03.2022**

Name	No. of Shares	% of Total Shares	% of change during the year
<b>Promoter:</b>			
Mohit Arora	30000	60	-
Nohit Arora	15000	30	-
<b>Promoter Group:</b>			
Davinder Arora	4000	8	-
Sonam Arora	400	0.8	-
Lalita Rani	400	0.8	-

**Shares held by Promoters & Promoter Group at the end of the year 31.03.2023**

Name	No. of Shares	% of Total Shares	% of change during the year
<b>Promoter:</b>			
Mohit Arora	89687	81	21
Nohit Arora	15000	14	-16
<b>Promoter Group:</b>			
Davinder Arora	4000	3.6	-4.4
Sonam Arora	400	0.4	-0.4
Lalita Rani	400	0.4	-0.4

For Sharma Sharma & Co.  
Chartered Accountants



CA Suvin Sharma  
Partner  
Membership No. 088272  
FRN/No.009462N  
Place: Delhi

UDIN - 23088272B6XAD6369.

**Sharma Sharma & Co.**  
Chartered Accountants

**OTHER FINANCIAL INFORMATION**
**Statement of Accounting & Other Ratios, As Restated**
**(Rs. in Lakhs)**

<b>Particulars</b>	<b>30.11.23</b>	<b>31.03.23</b>
Net Worth (A)	510.10	109.37
Net Profit after Tax (B)	118.66	56.62
No. of Shares outstanding at the end (C)	36,66,792.00	1,09,687.00
Face Value Per share	10.00	10
Adjusted Face Value Per share for ratio calculations	10.00	10
Weighted average number of shares post effect of bonus issue (D)	34,81,827.41	1,09,687
Earnings per Share (EPS) (B / D) (Rs.)	3.41	51.62
Return on Net Worth (B / A)	23.26%	51.77%
Net Assets Value per Share (A / D)	14.65	99.71

**Notes:**

*Earnings per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted average number of shares post effect of bonus issue.*

*Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.*

*Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)*

*The figures disclosed above are based on the Restated Financial Statements of the Company.*

**STATEMENT OF FINANCIAL INDEBTEDNESS**

Our Company has availed certain loans in the ordinary course of business for the purposes including to meeting its working capital requirements. As on the date of filing of this Draft Prospectus, the overall borrowings of our Company do not exceed the overall limit as specified under Section 180(1)(c) of the Companies Act, 2013.

Following is a summary of our Company's outstanding borrowings as on date:

Our company has obtained an unsecured loan as per following details:

<b>Details of Lender</b>	<b>Amount of Loan in Lakhs</b>	<b>Rate of interest %</b>	<b>Date of Sanction</b>	<b>Purpose</b>	<b>Tenure</b>
L&T Finance Holdings Limited,  Loan Account No. BL231205040100319	Rs. 25.00 Lakhs	17.00% per annum annualised	The loan is for a period of 48 months, the loan has been sanction vide letter dated 19 <sup>th</sup> December, 2023, First EMI will due on 3 <sup>rd</sup> January, 2024.	Term Loan	The loan is for a period of 48 months



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## MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Prospectus. You should also read the section entitled “Risk Factors” beginning on page 28 and “Forward Looking Statements” beginning on page 18, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.*

*The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for year ended March 31, 2023 and March 31, 2022 and for the period ended 30<sup>th</sup> November, 2203 including the schedules and notes thereto and the reports thereto, which appear in the section titled “Financial Information of our Company” on Page No. 158 of the Draft Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.*

### **Business Overview**

Our Company is led by our Promoters Mr. Mohit Arora and Mr. Nohit Arora, who are in the field of garment designing, manufacturing and trading for more than 10 years. Mr. Mohit Arora established proprietorship concern in the name and style of M/s. Jesus Shirts, in 2012 along with his brother Mr. Nohit Arora. They started off with some small & medium sized brands which could give him some consistent business and also, they can place himself in the market.

M/s. Jesus Shirts was started in 2012 as a proprietorship firm, committed to provide its customers with quality products. Davin Sons Retail Limited was incorporated in 2022 to do the business which was done in proprietary firm. Our Company strives to bring the best products to its customers by providing last mile connectivity to large consumer product Companies.

Our Company was incorporated with objective to acquisition of proprietorship concern of Mr. Mohit Arora “Jesus Shirts” which was in the business of manufacturing of readymade garments. Later, on 01<sup>st</sup> August, 2022 our Company added objects relating to distribution for the large size FMCG Companies in India for whom we distribute Branded packaged foods, Non Alcoholic Energy Drinks, Chips etc.

On 2<sup>nd</sup> March, 2023, the running business of the above proprietorship concern was acquired by our Company, along with the assets and liabilities of the proprietorship concern on going concern basis as on 28<sup>th</sup> February, 2023. Since incorporation, our promoters have been looking after the overall operations and major business decisions of the Company. With our absolute commitment to quality, meticulous attention and level of services, today we have established ourselves as a Manufacturer of Garments and distributor of FMCG products.

Our Company has two business verticals:

1. Manufacturing of readymade Garments;
2. Distribution of FMCG products.

We are engaged into the business of manufacturing and designing of readymade garments offering diverse range of high-quality jeans, denim fabrics, denim jackets and t-shirts for other brands. We have been supplying our readymade garments to our clients including AS Enterprise, Kaxiaa Exports, V- BAZAAR, Berry Cotts, V2 RETAIL, MEGASHOP, Passage Global etc. Our garment manufacturing process includes cutting, stitching, sewing, finishing, inspection and packing. We outsource the entire garments manufacturing on job work basis

from third party contractors from time to time and provides the technical specifications such as designs, pattern, quality, fabric etc. to them who, based on our specifications, procure the requisite raw materials and begin the manufacturing process. The products delivered to us from third party contractors are completely finished and packaged to our warehouse. However, we have not entered into Job work agreement.

We have client base in Delhi, Haryana, West Bengal, Bihar and Uttar Pradesh from where we are getting regular orders for our garment products. With a vision to further expand the Garment business, we have entered into distributorship arrangement for marketing and selling our manufactured readymade garments to the small market. These distributors are situated at Delhi, Uttar Pradesh, Bihar.

We also provide our sample designs in line with new styles, fits, finishes to meet the latest fashion trends to our customers. In season, the team works on over several designs, out of which few are picked up to constitute the new season collection. Our Company's core competency lies in our understanding of our customer's buying preferences and behaviour across the Indian market. We procure our fabrics directly from reliable fabric manufacturers for better quality and pricing.

Our Company mainly sources fabric from the local market of Mumbai, Delhi and outsources its job work to the Manufacturers at New Delhi. Under the supervision of Company personnel for designs and quality control. The finished products are delivered at our Company Warehouse. After Quality checking at our Warehouse, the products are further bar coded and dispatched as per orders from various buyers.

Our Company's proficiency lies in understanding the specific requirement of our customers and based on which we place the order of our products to manufacturer having requisite manufacturing facilities. We supervise the entire manufacturing process including selection of interlinings produced till dispatch of the goods to customers place, to assure product quality and customer satisfaction.

We are also a part of the Fast-Moving Consumer Goods (FMCG) industry which continues to be one of the biggest long-term sustainable business opportunities that our country offers. Despite being one of the fastest-growing markets globally for FMCG products, India's per capita FMCG consumption is still amongst the lowest in the world, giving this industry a long runway for growth.

Our Company strives to bring the best global products to its customers by providing last mile connectivity to large consumer product companies.

We are a FMCG product distributor for the large size FMCG Companies in India for whom we distribute Branded packaged FMCG products like biscuits, Non-Alcoholic Energy Drinks on distributorship basis. and we also distribute packaged products including biscuits, Chips, Oil, Non-Alcoholic Energy Drinks, Toffey, Chocolates etc. of various other FMCG Companies on non-distributorship basis.

We earn our consumer's trust with the promise that each of the product we sell enhances their health. We distribute FMCG products for the large size FMCG Companies in India to various retailers and other distributor & agents. We define our success on our ability to make shopping meaningful to our customers. Our customers are local retailers and wholesalers located in various region including Delhi, Haryana, Punjab, Bihar, Uttar Pradesh, Rajasthan, Chhattisgarh and Arunachal Pradesh.

*For details about Business Overview, please refer chapter titled "Our Business" on page 107 of this Draft Prospectus.*

### Financials KPIs of our Company

*(Amount in Lakhs, except for percentage)*

Particulars	For the Period ended on	
	30.11.2023	31.03. 2023
Revenue from operations	1090.75	383.14
Total Income	1090.75	391.33

**Davin Sons Retail Limited – Draft Prospectus**

Particulars	For the Period ended on	
	30.11.2023	31.03. 2023
EBITDA	166.57	69.04
EBITDA margin (%)	15.27%	18.02%
PAT	118.66	56.62
PAT Margin (%)	10.88%	14.78%
ROE (%)	38.31%	51.77%*
ROCE (%)	42.84%	31.21**
EPS (Basic & Diluted)	3.41	51.62

Source: The Figure has been certified by our Peer review auditors M/s. Sharma Sharma & Co; Chartered Accountants vide their certificate dated 25<sup>th</sup> December, 2023.

\*as a percentage of profit for the year divided by the total equity during that period;

\*\*as a percentage of earnings before interest and taxes divided by capital employed during that period.

**Notes:**

- i. Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- ii. EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses minus other Income.
- iii. EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- iv. Profit After Tax Means Profit for the period/year as appearing in the Restated Financial Statements.
- v. PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- vi. RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- vii. RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Equity Shares, Reserves and surplus, deferred tax liability, Long-Term Borrowing, Short-Term Borrowing and Deferred Tax Liability/(Asset).

**Explanation for KPI metrics**

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

KPI	Explanations
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
RoCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

### **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 28 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in consumer demand;
- Failure to successfully upgrade our product portfolio, from time to time;
- Any change in government policies resulting in increases in taxes payable by us; Our ability to retain our key managements persons and other employees;
- Our failure to keep pace with rapid changes in technology; Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Company's ability to successfully implement its growth strategy and expansion plans;
- The performance of the financial markets in India and globally;
- Global distress due to pandemic, war or by any other reason;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;

### **DISCUSSION ON RESULT OF OPERATION**

The following discussion on result of operations should be read in conjunction with the restated financial statements of our Company for the Financial Years ended March 31, 2023 and 2022 and for the period ended 30<sup>th</sup> November, 2023.

### **SUMMARY OF MAJOR ITEMS OF INCOME AND EXPENDITURE**

#### **Revenues:**

#### **Income from operations:**

Our principal component of revenue from operations. Revenue from operations include sale of FMCG products such as Non-Alcoholic Energy Drinks, Biscuits, chips etc. and manufacturing of readymade garments. The Company's total income which includes Revenue from operations during the period ended on November 30, 2023 was Rs. 1,090.75 Lakhs.

**Other Income:**

Our other income mainly includes Incentives and Interest income.

(Rs. In Lakhs)

Particulars	For the period ended 30 <sup>th</sup> November, 2023
<b>Income</b>	
Revenue from Operations	1,090.75
<i>As a % of Total Revenue</i>	100.00%
Other Income	-
<i>As a % of Total Revenue</i>	-
<b>Total Revenue</b>	<b>1,090.75</b>

**Expenditure:**

Our total expenditure primarily consists of Cost of material, Employee benefit expenses, Operating and Other Expenses, finance cost, depreciation.

**Cost of Material**

Our Cost of material consist of Cost of purchase of material and goods, during the period ended 30<sup>th</sup> November, 2023, our purchases were Rs. 808.73 Lakhs constituted 74.14% of revenue from operations.

**Employee benefits expense**

Our employee benefits expense primarily comprise of salaries and wages expenses and staff welfare expenses.

**Depreciation & Amortization**

Depreciation includes depreciation on tangible assets like furniture & fixtures, computers and office equipment. Amortization includes amortization of intangible assets.

**Other Expenses**

Other expenses include the following:

- Operating expenses like office expenses.
- General expenses like insurance, Audit and professional fees etc.
- Administrative and other expenses such as traveling, conveyance expenses, etc.

**Statement of profits and loss**

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

(Rs. In Lakhs)

Particulars	30.11.2023	31.03.2023	31.03.2022
<b>Income:-</b>			
Revenue from Operations	1,090.75	383.14	-
<i>As a % of Total Revenue</i>	100.00%	97.91%	-
Other Income	-	8.19	-
<i>As a % of Total Revenue</i>	-	2.09%	-
<b>Total Revenue (A)</b>	<b>1,090.75</b>	<b>391.33</b>	-

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Particulars	30.11.2023	31.03.2023	31.03.2022
<b>Growth %</b>	-	-	-
<b>Expenditure:-</b>			
Purchase of Material	808.73	358.40	-
<i>As a % of Total Revenue</i>	74.14%	91.59%	-
Change in inventories of finished goods, work in progress and cost-in-trade	-70.72	-82.28	-
Employees Benefit Expenses	55.52	28.36	-
<i>As a % of Total Revenue</i>	5.09%	7.25%	-
Other Expenses	130.65	9.63	-
<i>As a % of Total Revenue</i>	11.98%	2.46%	-
Depreciation and Amortization Expense	6.50	0.71	-
<i>As a % of Total Revenue</i>	0.60%	0.18%	-
Finance Cost	0.26	0.09	-
<i>As a % of Total Revenue</i>	0.02%	0.02%	-
<b>Total Expenses (B)</b>	<b>930.93</b>	<b>314.89</b>	-
<i>As a % of Total Revenue</i>	<b>85.35%</b>	<b>80.47%</b>	-
<b>Profit before extraordinary items and tax</b>	<b>159.81</b>	<b>76.44</b>	-
<i>As a % of Total Revenue</i>	14.65%	19.53%	-
Extraordinary Items	-	-	-
<b>Profit before Tax</b>	<b>159.81</b>	<b>76.44</b>	-
<b>PBT Margin</b>	14.65%	19.53%	-
Tax Expense:			-
i. Current Tax	41.51	19.76	-
ii. Short / (Excess) provision	-	-	-
iii. Deferred Tax	0.40	-0.06	-
iv. MAT Credit		--	-
<b>Total Tax Expense</b>	<b>41.11</b>	<b>19.82</b>	-
Profit for the year/period	<b>118.56</b>	<b>56.62</b>	-
<b>PAT Margin %</b>	10.83%	14.47%	-

Since our Company was incorporated on February 08, 2022. Therefore, there are no financial statements prepared for the FY 2022, and therefore no comparison with earlier years is applicable.

**Financial Performance Highlights for the financial year 2022-23 (Based on Restated Financial Statements)**
**Total Income:**

Total income for the period stood at Rs. 391.33 Lakhs. The total income consists of revenue from the sale of our manufactured products and sale of FMCG products and the other income.

**Revenue from Operations**

During the period, the net revenue from operation of our Company was Rs. 383.14 Lakhs. The main contribution to the revenue from operations is the manufacturing of readymade garments and sale of FMCG products.

**Other Income:**

During the period, the other income of our Company stood at Rs. 8.19 Lakhs. The main components of the other income are incentives from Vendor Companies and Interest income.

**Purchase**

Purchase of Goods comprises of the cost of goods consumed like fabrics and related item and FMCG products. During the period, the purchase of goods of our Company stood at Rs. 358.40 Lakhs.

**Employee benefits expense:**

During the period, the employee benefit expenses of our Company stood at Rs. 28.36 Lakhs. The main components of the employee benefit expenses are Salaries, wages & bonus expenses and Staff welfare expenses.

**Finance costs:**

During the period, the finance cost of our Company stood at Rs. 0.09 Lakhs. The main components of the Finance cost includes bank charges paid.

**Depreciation and Amortization Expenses:**

During the period, the Depreciation and amortization charges of our Company stood at Rs. 0.71 Lakhs.

**Other Expenses:**

During the period, the Other Expenses of our Company stood at Rs. 9.63 Lakhs. The main components are audit fees, insurance, rent paid, power & fuel cost, rates & taxes and miscellaneous expenses etc.

**Restated profit after tax:**

The Company reported Restated profit after tax for period of Rs. 56.62 Lakhs.

**CASH FLOWS**
**As per Restated Financial Statements**

The table below is our cash flows for the financial years March 31, 2023 and 2022 and for the period ended 30<sup>th</sup> November, 2023:

Particulars	(Amount in Rs. Lakhs)		
	30.11.2023	31.03.2023	31.03.2022
Net Cash Flow from Operating Activities (A)	(94.37)	(0.01)	(5.00)
Net Cash Flow from Investing Activities (B)	(43.09)	(19.61)	-
Net Cash Flow from Financing Activities (C)	153.92	73.56	5.00
<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>16.46</b>	<b>53.94</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the year / Period</b>	<b>55.30</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>71.76</b>	<b>53.95</b>	<b>-</b>

**CASH FLOWS FROM OPERATING ACTIVITIES**
**for the period ended November 30, 2023**

Net cash inflow from operating activities for the period ended November 30, 2023 was Rs. (94.37) lakhs. Our operating profit before working capital changes was Rs. 172.33 Lakhs, which was primarily adjusted by increase in inventories & trade receivables, decrease in short term loans and advances, decrease in trade payables and increase in other current liabilities and short term provisions.

**for the year ended March 31, 2023**

Net cash inflow from operating activities in for the year ended March 31, 2023 was Rs. (0.01) lakhs. Our operating profit before working capital changes was Rs. 77.15 Lakhs, which was primarily adjusted by increase in inventories, trade receivables, short term loans and advances, other current assets, trade payables, other current liabilities and short term provisions.

**CASH FLOWS FROM INVESTMENT ACTIVITIES**

**for the period ended November 30, 2023**

Net cash flow used in investing activities for the period ended November 30, 2023, was Rs. (43.09) lakhs. This was primarily on account of increase in fixed assets.

**for the year ended March 31, 2023**

Net cash flow used in investing activities for the year ended March 31, 2023, was Rs. (19.61) lakhs. This was primarily on account of increase in long term loans and advances.

**CASH FLOWS FROM FINANCING ACTIVITIES**

**for the period ended November 30, 2023**

Net cash inflow from financing activities for the period ended November 30, 2023, was Rs. 153.92 lakhs which is due to inflow of funds in the Company through issue of shares and payment of borrowings.

**for the year ended March 31, 2023**

Net cash inflow from financing activities for the year ended March 31, 2023, was Rs. 73.56 lakhs which is due to inflow of funds in the Company through borrowings.

**Related Party Transactions**

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relate to remuneration, loan. For further details of related parties kindly refer chapter titled “Financial Statements” beginning on page 158 of this Draft Prospectus.

**Off-Balance Sheet Items**

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

**OTHER MATTERS**

**Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgement, would be considered unusual or infrequent that have significantly affected operations of the Company.



**Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company's operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders' funds and ability to implement strategy and the price of the Equity Shares.

**Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the section titled "Risk Factors" beginning on page 28 of this Draft Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change.**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

**The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**Total turnover of each major industry segment in which the issuer company operates.**

The Company is operating two business verticals i.e. readymade garments and distribution of FMCG products. Relevant industry data, as available, has been included in the chapter titled "Industry Overview" beginning on page 91 of this Draft Prospectus.

**Status of any publicly announced new products/projects or business segments**

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus.

**The extent to which the business is seasonal**

Our Company's business is not seasonal in nature.

**Any significant dependence on a single or few suppliers or customers**

The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively for the period ended on November 30, 2023 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	18.92%	42.68%
Top 10 (%)	32.89%	73.17%

### **Competitive Conditions**

We have competition with Indian and international Companies engaged in similar line of our business and our results of operations could be affected by competition in the industry / sector in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled "Risk Factors" on page 28 of Draft Prospectus.

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**SECTION VIII – LEGAL AND OTHER INFORMATION****OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no: (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below); involving our Company, Directors, Promoter or Group Company. Our Board, in its meeting held on 30<sup>th</sup> June, 2023, determined that all pending litigation involving our Company, Holding, Subsidiary, Directors, Promoters and Group Company, other than criminal proceedings and statutory or regulatory actions, disciplinary actions including penalty imposed by SEBI or stock exchanges, claims related to direct and indirect taxes, would be considered 'material' if the monetary amount of claim by or against the entity or person in any such pending proceeding is in excess of 10% of the revenue of our company as per the Audited Financial Statements ("Material Litigations").

As per the materiality policy adopted by the Board of our Company in its meeting held on 30<sup>th</sup> November, 2023, the outstanding dues to creditors in excess of 5% of the revenue of our company as per the Audited Financial Statements will be considered material. Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI ICDR Regulations have been disclosed on our website at [www.davinsonsretail.com](http://www.davinsonsretail.com).

Our Company, Directors, Promoters are not Wilful Defaulters or Fraudulent Borrowers and there have been no violations of securities laws in the past or pending against them.

**OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, PROMOTERS, SUBSIDIARIES, GROUP COMPANIES****PART 1: LITIGATION RELATING TO OUR COMPANY****A. FILED AGAINST OUR COMPANY***Litigation involving Criminal Laws*

NIL

*Litigation Involving Actions by Statutory/Regulatory Authorities*

NIL

*Disciplinary Actions by Authorities*

NIL

*Litigation involving Tax Liability*

A notice has been received via communication reference no. TDS/2223/26Q/D/100049867394 for the Q4 of FY 2022-23 for the payment of Rs. 6,270 (Rupees Six Thousand Two Hundred Seventy only) (including interest) payable as late filing fee u/s 234E of the Income Tax Act, 1961. Also, our Company is to fill Income Tax Return (ITR) for FY 2022-2023 as on filing this Draft Prospectus. Our Company is in process of filing the same.

*Other Pending Litigation based on Materiality Policy of our Company*

NIL

**B. CASES FILED BY OUR COMPANY**
*Litigation involving Criminal Laws*

NIL

*Litigation Involving Actions by Statutory/Regulatory Authorities*

NIL

*Disciplinary Actions by Authorities*

NIL

*Litigation involving Tax Liability*

NIL

*Other Pending Litigation based on Materiality Policy of our Company*

NIL

**PART 2: LITIGATION RELATING TO OUR DIRECTORS AND PROMOTERS OF THE COMPANY**
**A. LITIGATION AGAINST OUR DIRECTORS AND PROMOTERS**
*Litigation involving Criminal Laws*

Plaintiff	Defendant	Case No.	Brief of Case	Current Status
Harshil Textiles	Mr. Mohit Arora	MHMM150010732019 and MHMM150013682020	<p>Harshil Textiles has instituted two cases against our Director and Promoter Mr. Mohit Arora on non-clearance of cheques in 2019 u/s 138 of Negotiable Instrument Act, 1881 for an amount of Rs. 12.00 lakhs and Rs. 12.72 Lakhs including Rs. 5.00 outstanding in the books of Harshil Textiles.</p> <p>The Hon“ble court has combined above mentioned cases to ease the proceedings.</p> <p>Out of total amount of Rs. 29.72, Mr. Mohit Arora paid an amount of Rs. 12.00 Lakhs on 5<sup>th</sup> July, 2019 and Thereafter, In the proceeding our Promoter and HT has agreed to a</p>	Currently, the Case is pending before Mumbai District Court as a combine case and Next hearing date is 5 <sup>th</sup> February, 2024.

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Plaintiff	Defendant	Case No.	Brief of Case	Current Status
			settlement and accordingly our promoter has issued 3(three) post- dated cheques, in which two Cheques has already been cleared by the HT leaving only one post-dated cheque of Rs. 7 Lakhs dated December 01, 2023. Next date of hearing is on 05.02.2024.	

**Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**Disciplinary Actions by Authorities**

NIL

**Litigation involving Tax Liability**

There is certain demand of Income tax as Income tax portal of Mr. Mohit Arora which are as follows:

Except the following, our Promoters has not received any demand notices from the Income Tax Authority:

SI No.	Section Code	Date of demand Raised	Demand No.	Reference	Assessment Year	Accrued Interest	Outstanding Demand Amount
<b>1. Mohit Arora</b>							
	U/s 143(1)(a)	27.12.2014	2014201437052846766T		2014	876	-
	U/s 143(1)	27.08.2007	2011200651103774701T		2006	-	98
	U/s 143(1)(a)	14.02.2013	2012201110020490340T		2011	52,320	-
	U/s 143(1)(a)	10.11.2011	2011201010062241421T		2010	29,304	-
<b>2. Nohit Arora</b>							
	U/s 143(1)(a)	09.09.2015	2015201437034210182T		2014	282	-
	<b>Total</b>						<b>82,880</b>

Except the following, there are no e-proceeding showing on the website of Income Tax against the Promoters, the amount has not been crystalized yet:

SI No.	Defective Notice / Issue Letter/Proceedings	Return Acknowledgement No.	Assessment Year	Status
<b>Mohit Arora</b>				
1.	Adjustment U/s 143(1)(a)	-	2018-19	Pending
2.	Recovery Process	-	Not Available	Pending
3.	Adjustment U/s 143(1)(a)	-	2019-20	Pending

**Other Pending Litigation based on Materiality Policy of our Company**

NIL

## **B. LITIGATION FILED BY OUR DIRECTORS AND PROMOTERS**

### *Litigation involving Criminal Laws*

Two complaint case no. 1659/2017 and 792/2018 has been filed on April 15, 2017 and February 09, 2018 before Chief Metropolitan Magistrate, North, Rohini Courts, Delhi by one of our Promoters Mr. Nohit Arora under Section 138 of the Negotiable Instruments Act, 1881 against Mr. Dhan Raj (hereinafter referred as the 'Respondent'). The Hon'ble court has combined above mentioned cases to ease the proceedings. Later, our Promoter has agreed for a settlement of Rs. 92,00,000 (Rupees Ninety-Two Lakhs only) in which Rs. 40,00,000 (Rupees Forty Lakhs only) worth of Land has been received leaving Rs. 52,00,000 (Rupees Fifty-Two Lakhs only) to recover. Next date of hearing is on 02.02.2024.

The matter is pending before the Hon'ble Court.

### *Litigation Involving Actions by Statutory/Regulatory Authorities*

NIL

### *Disciplinary Actions by Authorities*

NIL

### *Litigation involving Tax Liability*

NIL

### *Other Pending Litigation based on Materiality Policy of our Company*

NIL

## **PART 3: LITIGATION RELATING TO OUR SUBSIDIARIES**

As on date of this Draft Prospectus, our Company does not have a subsidiary.

## **PART 4: LITIGATION RELATING TO OUR GROUP COMPANIES**

As on date of this Draft Prospectus, our Company does not have a group company.

## **PART 4: LITIGATION RELATING TO OUR KMPs**

Nil.

## **MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 160 of this Draft Prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## **OUTSTANDING DUES TO CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on November 30, 2023:

Particulars	Amount (Rs. in Lakhs)
Total Outstanding dues to Micro and Small & Medium Enterprises	-
Total Outstanding dues to Creditors other than Micro and Small & Medium Enterprises	127.14

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.*

*In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.*

### APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of incorporation dated 8<sup>th</sup> February, 2022 from the Registrar of Companies, Central Registration Centre in the name of "Davin Sons Retail Limited".
2. Corporate Identity Number (CIN): U14101DL2022PLC393510.

### APPROVALS IN RELATION TO THE ISSUE

#### Corporate Approvals

1. Our Board of Directors has, pursuant to resolution passed at its meeting held on 30<sup>th</sup> June, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated 5<sup>th</sup> July, 2023 under Section 62(1) (c) of the Companies Act, 2013, authorized the Issue.
3. Our Board of Directors has, pursuant to a resolution dated 24<sup>th</sup> July, 2023 authorized our Company to take necessary action for filing the Draft Prospectus with BSE SME.

#### Approvals from Stock Exchange

Our Company has received in-principle listing approval from the BSE SME dated [●] for listing of Equity Shares issued pursuant to the issue.

#### Other Approvals

1. The Company has entered into a tripartite agreement dated 20<sup>th</sup> June, 2023 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated 2<sup>nd</sup> June, 2023 with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who in this case is Kfin Technologies Limited, for the dematerialization of its shares.



**APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS**
**Tax Related Approvals**

S. No	Description	Address of Place of Business / Premises	Registration Number	Issuing Authority	Date of issue	Date of Expiry
1.	Permanent Account Number (PAN)	N.A	AAJCD0686K	Commissioner of Income Tax, Delhi	8 <sup>th</sup> February, 2022	Valid till Cancelled
2.	Tax Deduction Account Number (TAN)	-	DELD26298G	Income Tax Department	9 <sup>th</sup> February, 2022	Valid till Cancelled
3.	Food Safety and Standards Authority of India (FSSAI)	Khewat No. 437/390, Ansal Versalia Avante Residences, SECTOR 67A, Gurugram, Haryana, 122101	10822005001608	Government of Haryana, Department of Food and Drug Administration	27 <sup>th</sup> October, 2023	26 <sup>th</sup> October, 2024
4.	GST Registration Certificate	Khewat No. 437/390, Ansal Versalia Avante Residences, SECTOR 67A, Gurugram, Haryana, 122101	06AAJCD0686K1ZD	Central Board of Indirect Taxes & Customs	22 <sup>nd</sup> August, 2022	Valid till Cancelled
5.	GST Registration Certificate	WZ 250/3, KH No. 39/6/16, Shakurpur, New Delhi, North West Delhi, Delhi, 110034* <i>(Our Company is in process of updation of new address)</i>	07AAJCD0686K1ZB	Central Board of Indirect Taxes & Customs	2 <sup>nd</sup> April, 2022	Valid till Cancelled
6.	Registration Certificate of Establishment	Office No.609 Sixth Floor P.P City center Plot No.3road No. 44, Pitampura, Delhi 110034	2023080295	Department of Labour, Government of National Capital Territory of Delhi	15 <sup>th</sup> May, 2023	Valid till Cancelled

**LABOUR RELATED APPROVALS/REGISTRATIONS**

Sr. No.	Description	Applicable laws	Authority	Registration Number	Applicable date	Date of Expiry
1.	Employees Provident Fund Registration	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees Provident Fund Organisation, Ministry of Labour, Government of India	DLCPM2577678000	1 <sup>st</sup> November, 2023	Valid until cancellation
2.	Registration For Employees State Insurance	The Employees State Insurance Act, 1948	Employees State Insurance Corporation	22001379540000108	1 <sup>st</sup> November, 2023	Valid until cancellation


**WEBSITES**

[www.davinsonsretail.com](http://www.davinsonsretail.com)

- **Expiry Date-** 9<sup>th</sup> February, 2024;
- **Registered With:** GoDaddy.com LLC

**INTELLECTUAL PROPERTY**

Our Company does not have any registered Intellectual Property, however, we have applied the Corporate logo for the registration which is pending for approval. Following are the details of application:

S.No.	Logo Trademark	Class	Application No.	Nature of the Trademark	Application Date	Status	Validity
1		25	5979828	Device	14 <sup>th</sup> June, 2023	Pending	Not Applicable

*Please refer Risk factor on page no 28 of this Draft Prospectus.*

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

Our Board of Directors have *vide* resolution dated 30<sup>th</sup> June, 2023 authorized the Issue, subject to the approval by the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Issue, by passing a Special Resolution at the Extra-Ordinary General Meeting held on 5<sup>th</sup> July, 2023 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

The Company has obtained approval from BSE *vide* letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the BSE SME. BSE is the designated stock exchange.

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Further, our company, promoters, members of the promoter group, directors, are not debarred or 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.

The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.

### PROHIBITION BY RBI

Neither our Company nor any of our Promoters or Directors has been declared as wilful defaulter(s) or fraudulent borrower by the RBI or any other governmental authority.

### DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, our Promoters and member of our Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

### ELIGIBILITY FOR THE ISSUE

Our Company is eligible in terms of Regulations 230 of SEBI (ICDR) Regulations for this issue.

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Issue face value capital does not exceed ten crores’ rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

*Davin Sons Retail Limited – Draft Prospectus*

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated as ‘Davin Sons Retail Limited’ under the Companies Act, 2013, pursuant to a Certificate of Incorporation dated 8<sup>th</sup> February, 2022, issued by the ROC, Central Registration Centre, Ministry of Corporate Affairs. Later, on 2<sup>nd</sup> March, 2023, the running business of the proprietorship concern of our Promoter namely “JESUS SHIRTS” was taken-over by the Company, along with the Assets and Liabilities of the proprietorship concern as going concern.
2. The Post-Issue Paid-Up Capital of the Company shall not be more than rupees twenty-five crores. The Post-Issue Capital of our Company is Rs. 526.58 Lakhs.
3. As per the Restated Financial Statements disclosed in this Draft Prospectus, the Net worth of our company (excluding revaluation reserves) of the Company is Rs. 509.55 Lakhs as at November 30, 2023 and hence is positive.  
*(Net worth was calculated as the sum of share capital and reserves & surplus minus Deferred tax assets).*
4. As per Restated Financial Statements, the Net Tangible Assets are Rs. 510.10 Lakhs as at November 30, 2023, hence more than Rs.150.00 Lakhs as on the date of filing of this Draft Prospectus.  
*(The Net Tangible Assets was calculated as the Total Assets Less Intangible Assets Less Current Liabilities.)*
5. Our Company has positive cash accruals (Earnings before depreciation and tax) in preceding two financial years. As per Restated Financial Statements, the cash accruals accounted for March 31, 2023 is respectively as given below:

(Amount in Rs. Lakhs)

Particulars	For the year ended as on March 31 <sup>st</sup> , 2023
PBT	76.44
Add: Depreciation	0.71
<b>Cash Accruals as per Restated Financial Statement</b>	<b>77.15</b>

6. The Company and the proprietorship have a combined track record of at least 3 years as on the date of filling Draft Prospectus.
7. Our company has website: [www.davinson retail.com](http://www.davinson retail.com).

**Other Disclosures:**

1. Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
2. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
3. There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
4. There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.

5. Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
6. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

1. The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the BSE SME. BSE is the Designated Stock Exchange.
2. Our Company has entered into an agreement dated 2<sup>nd</sup> June, 2023 with NSDL and agreement dated 20<sup>th</sup> June, 2023 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
3. The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
4. The entire Equity Shares held by the Promoters are in demat form.
5. Since the entire fund requirement are to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

1. Neither our Company nor our Promoters, members of our Promoter Group or our Directors is debarred from accessing the capital markets by the SEBI.
2. None of our Promoters or Directors is Promoter or director of any other companies which are debarred from accessing the capital markets by the SEBI.
3. Neither our Company nor our Promoters or Directors is a wilful defaulter or a fraudulent borrower.
4. None of our Promoters or Directors is a fugitive economic offender.

**We further confirm that:**

1. In accordance with Regulation 246 the SEBI ICDR Regulations, the lead managers shall ensure that the issuer shall file copy of the Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
2. In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue has been one hundred percent (100%) underwritten and that the Lead Managers to the Issue has underwritten at least 15% of the Total Issue Size. For further details, pertaining to said underwriting please see “*General Information*” beginning on page 50 of this Draft Prospectus.

3. In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty (50), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) 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 fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, the Companies Act 2013 and applicable laws.
4. In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, we hereby confirm that we will enter into an agreement with the Lead Managers and with Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE (BSE SME). For further details of the arrangement of market making please refer to section titled "General Information – Details of the Market Making Arrangements for this Issue" beginning on page 57 of this Draft Prospectus.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS FIRST OVERSEAS CAPITAL LIMITED AND NAVIGANT CORPORATE ADVISORS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS OFFER DOCUMENT, THE LEAD MERCHANT BANKER FIRST OVERSEAS CAPITAL LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, FIRST OVERSEAS CAPITAL LIMITED AND NAVIGANT CORPORATE ADVISORS LIMITED HAVE 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 DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

**Note:** All legal requirements pertaining to the Issue will be complied with at the time of registration of this Prospectus with the RoC in terms of section 26 of the Companies Act, 2013.

#### **DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGERS**

Our Company and the Lead Managers accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.davinsonsretail.com](http://www.davinsonsretail.com), or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Managers accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company and the Lead Managers to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.

Our Company and the Lead Managers shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Lead Managers and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Lead Manager are not an associate of the Company and is eligible to be appointed as the Lead Manager in this Issue, under SEBI MB Regulations.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Managers and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company nor Lead Managers is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus

does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this issue will be subject to the jurisdiction of appropriate court(s) in Delhi only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of the Draft Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

**Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.**

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.



The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## LISTING

Application have been made to BSE SME for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its BSE SME after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. If any such money is not unblocked within four (4) days after the issuer becomes liable to unblock it then our Company and every director of the company who is an officer in default shall, on and from the expiry of the fourth (4) day, be jointly and severally liable to unblock that money with interest at the rate of fifteen per cent per annum (15% pa) 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 BSE SME mentioned above are taken within six (6) Working Days of the Issue Closing Date.

## CONSENTS

Consents in writing of: (a) The Directors, Promoters, the Chief Financial Officer, Company Secretary & Compliance Officer and the Statutory Auditors; and (b) the Lead Managers, Registrar to the Issue, the Legal Advisors to the Issue, Bankers to the Issue<sup>(1)</sup>, Market Maker and Underwriters to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act, 2013.

*(1) The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

In accordance with the Companies Act, 2013 and the SEBI ICDR Regulations, M/s. N.K. Mittal & Associates., Chartered Accountants, have provided their written consent to the inclusion of their reports dated 5<sup>th</sup> July, 2023 on Restated Financial Statements and to the inclusion of their reports dated 7<sup>th</sup> July, 2023 on Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Prospectus.

## EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of possible tax benefits and report on Restated Financial Statements as included in this Draft Prospectus, our Company has not obtained any expert opinion.

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

#### **PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Issue is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

#### **COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS**

Since this is an Initial Public Offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since inception of the Company.

#### **CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY**

Except as disclosed in Chapter titled “*Capital Structure*” on page 61 of Draft Prospectus, our Company has not made any capital issue during the previous three years.

We do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

#### **PERFORMANCE VIS-À-VIS OBJECTS**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 61 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 Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

We do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

#### **PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGERS**

For details regarding the price information and track record of the past issues handled by First Overseas Capital Limited, please refer “Annexure -A” to this Draft Prospectus and the website of lead Manager at [www.focl.in](http://www.focl.in).

For details regarding the price information and track record of the past issues handled by Navigant Corporate Capital Limited, please refer “Annexure -B” to this Draft Prospectus and the website of lead Manager at [www.navigantcorp.com](http://www.navigantcorp.com).

#### **TRACK RECORD OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL 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.focl.in](http://www.focl.in).

#### **TRACK RECORD OF PAST ISSUES HANDLED BY NAVIGANT CORPORATE ADVISORS 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.navigantcorp.com](http://www.navigantcorp.com).

## STOCK MARKET DATA OF EQUITY SHARES

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Company has appointed Kfin Technologies Limited as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor's grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

The Company shall obtain authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 in relation to redressal of investor grievances through SCORES.

Our Board has also constituted a Stakeholders' Relationship Committee. The composition of the Stakeholders' Relationship Committee is as follows:

Name of the Directors	Nature of Directorship	Designation in Committee
Ms. Sapna	Non-Executive Independent Director	Chairperson
Ms. Saloni Mehra	Non-Executive Independent Director	Member
Ms. Sonam Arora	Non-Executive Director	Member

For further details, please see the chapter titled "Our Management" beginning on page 136 of this Draft Prospectus.

Our Company has also appointed Ms. Kavita Wadhwa, as the Compliance Officer for the Issue and she may be contacted at the Registered Office of our Company.

### Ms. Kavita Wadhwa

609, Sixth Floor,  
 P.P. City Centre Plot No. 3,  
 Road No. 44, Pitampura Rani Bagh, Delhi,  
 North West Delhi - 110034  
**Tel No:** + 91-11-49092127  
**Email:** [info@davinsonsretail.com](mailto:info@davinsonsretail.com)  
**Website:** [www.davinsonsretail.com](http://www.davinsonsretail.com)

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

#### **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 Managers 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.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

Our company has not applied or received any exemption from complying with any provisions of securities laws by SEBI.

## SECTION IX - ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being issued are subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018 including amendments thereof, our Memorandum and Articles of Association, the terms of this Draft Prospectus, the Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock 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 SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application*

*Further vide the said circular, Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investor may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.*

### RANKING OF EQUITY SHARES

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum of Associations and Articles of Association 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 223 of this Draft Prospectus.

### MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum and Articles of Association and provisions of the SEBI LODR Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment will be payable to the Applicants who have been Allotted Equity Shares in the Issue, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see "Dividend Policy" and "Main Provisions of the Articles of Association" beginning on page 157 and 223, respectively of this Draft Prospectus.

### FACE VALUE AND ISSUE PRICE

The Equity Shares having a face value of Rs.10/- each are being issued in terms of this Draft Prospectus at the price of Rs. [●] per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Managers and is justified under the chapter titled "Basis for Issue Price" beginning on page 83 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 223 of this Draft Prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE SME from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants.

Further, in accordance with SEBI ICDR Regulations the minimum application size in terms of number of specified securities shall not be less than Rs.1.00 Lakh per application.

## JOINT HOLDERS

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

## JURISDICTION

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 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 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.

### **NOMINATION FACILITY TO INVESTORS**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

### **ISSUE PROGRAM**

<b>Issue Opens on</b>	[●]
<b>Issue Closes on</b>	[●]

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

<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or before [●]
<b>Initiation of Refunds / unblocking of funds from ASBA Account*</b>	On or before [●]
<b>Credit of Equity Shares to demat account of the Allottees</b>	On or before [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchanges</b>	On or before [●]

In terms of Regulation 265 of SEBI 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 SEBI ICDR Regulations, in case of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Issue Period disclosed in the Prospectus, for a minimum period of three (3) working days, subject to the provisions of Regulation 266(1).

**The above time table is indicative and does not constitute any obligation on our Company. 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 is taken within three Working Days from the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.**

**Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of Applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).**

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public issue, some Applications may not get uploaded due to lack of sufficient time. Such Applications that are not uploaded will not be considered for allocation under the Issue. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

#### **MINIMUM SUBSCRIPTION AND UNDERWRITING**

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 is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of hundred per cent (100%) of the Issue through Prospectus on the date of closure of the issue including devolvement 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 Issued under the Prospectus, the issuer shall forthwith refund the entire subscription amount received failing to which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws. If there is a delay beyond four days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of fifteen per cent per annum.

Further in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.



The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

#### ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of [●] 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 BSE SME.

#### WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Managers, 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 Managers 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

The lock-in of the pre- issue capital of our Company as provided in “*Capital Structure*” beginning on page 61 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see “*Main Provisions of the Articles of Association*” beginning on page 223 of this Draft Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Managers 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.

**AS PER THE EXTENT 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.

**MIGRATION TO MAIN BOARD**

In accordance with the BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the BSE SME for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI ICDR Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, our Company may migrate to the main board of BSE from the BSE SME on a later date subject to the following:

1. If the paid-up capital of the Company is likely to increase above Rs.25 crores by virtue of any further offer of capital by way of rights, preferential offer, bonus offer etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
2. If the paid-up capital of the Company is more than Rs.10 crores but below Rs.25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

**MARKET MAKING**

The shares issued through this Issue are proposed to be listed on the BSE SME with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer the chapter titled "General Information" beginning on page 50 of this Draft Prospectus.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI ICDR Regulations, as amended from time to time, whereby, our post Issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “Terms of the Issue” and “Issue Procedure” beginning on page 189 and 198 respectively, of this Draft Prospectus.

### ISSUE STRUCTURE

Initial Public Issue of upto 15,99,000 Equity Shares for cash at a price of Rs. [●] per Equity Share (including a Share Premium of Rs. [●] per Equity Share), aggregating up to Rs. [●] Lakhs by our Company.

The Issue comprises a reservation of upto 81,000 Equity Shares of face value of Rs.10/- each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”) and Net Issue to Public of upto 15,18,000 Equity Shares of face value of Rs.10/- each (“the Net Issue”). The Issue and the Net Issue will constitute 30.37% and 28.83%, respectively of the post issue paid-up equity share capital of the Company. The Issue is being made through the Fixed Price Process.

Particulars	Net Issue to Public	Market Maker Reservation Portion
Number of Equity Shares available for allocation <sup>(1)</sup>	Upto 15,18,000 Equity Shares	Upto 81,000 Equity Shares
Percentage of Issue Size available for Allocation	94.93% of the Issue Size	5.07 % of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each <sup>(1)</sup>  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Individual Investors using Syndicate ASBA)	
Mode of Allotment	Compulsorily in dematerialised form	
Minimum Application Size	<b>For Other than Retail Individual Investors:</b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value exceeds Rs. 2,00,000.  <b>For Retail Individuals Investors:</b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed Rs. 2,00,000.	Upto 81,000 Equity Shares

Particulars	Net Issue to Public	Market Maker Reservation Portion
Maximum Application Size	<b>For Other than Retail Individual Investors:</b>  The maximum application size is the Net issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.  <b>For Retail Individuals Investors:</b>  Such number of Equity Shares in multiples of [●] Equity Shares such that the application value does not exceed Rs.2,00,000.	Upto 81,000 Equity Shares
Trading Lot	[●] Equity Shares	[●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations.
Terms of Payment <sup>(3)</sup>	The entire Application Amount will be payable at the time of submission of the Application Form.	
Application Lot Size	[●] Equity Share and in multiples of [●] Equity Shares thereafter	

<sup>(1)</sup> Since present Issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253(2) of the SEBI ICDR Regulations, shall be made as follows:

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

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

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage."

<sup>(2)</sup> In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

<sup>(3)</sup> In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Retail Individual Investors applying through UPI mechanism) that are specified in the Application Form. 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. For further details, please refer chapter titled "Issue Procedure" beginning on page 198 of this Draft Prospectus.

## WITHDRAWAL OF THE ISSUE

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Offer Opening Date, without assigning any reason thereof. Notwithstanding the foregoing, the Issue is also subject to obtaining the following:

The final listing and trading approvals of BSE for listing of Equity Shares offered through this Offer on its SME Platform, which the Company shall apply for after Allotment and,

The final ROC approval of the Prospectus after it is filed with the ROC.

In case, the Company wishes to withdraw the Issue after Offer Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (One each in English and Hindi) and one in regional newspaper.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed.

## ISSUE PROGRAMME

<b>ISSUE OPENS ON</b>	[•]
<b>ISSUE CLOSES ON</b>	[•]

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the 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 applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.

Further, our Company and the Lead Manager do not accept any responsibility for any adverse occurrences consequent to the implementation of the UPI mechanism for application in this Offer.

The lists of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by BSE Limited to act as intermediaries for submitting Application Forms are provided on <https://www.bseindia.com>.

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (—UPI Phase II). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, 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”). The applicability of UPI Phase II was extended from time to time. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”) was

implemented by SEBI, voluntarily for all public issues opening on or after September 1, 2023 and has been made mandatory for all public issues opening on or after December 1, 2023. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 and the provisions of this circular are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to Rs. 5.00 lakhs shall use the UPI Mechanism.

Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document, and are not liable for any amendment, modification or change in the 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 applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Prospectus.

Further, our Company and the Lead Manager are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in the Issue.

#### **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 RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI 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:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

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.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) 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 investors; and
- b) Remaining to:
  - i. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

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

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered 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.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using the UPI mechanism) and Beneficiary Account Number 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 exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.

#### APPLICATION FORM

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Offer Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Category	Colour(1)
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

(1) Excluding electronic Application Form.

RIIs and other Individual investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Prospectus. An Investor, intending to subscribe to this Offer, 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)

Sr. No.	Designated Intermediaries
5.	A registrar to an issue and share transfer agent ("RTA")(whose name is mentioned on the website of the stock exchange as eligible for this activity)

Retails investors and other Individual Inventors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as 'Intermediaries'), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as proof of having accepted the application form, in physical form or electronic mode respectively.

The upload of the details in the electronic bidding system of the stock exchange will be done by:

<b>For the applications submitted by the investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	<p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).</p> <p>Stock Exchange shall share application details including the UPI ID with Sponsor Bank on a continuous basis, to enable Sponsor Bank to initiate mandate request on investors for blocking of funds.</p> <p>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 details with depository's records for DP ID/Client ID and PAN, on a real time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16 ,2021.

### Who Can Apply?

1. Indian nationals' resident in India, who are not minors (except through their Legal Guardians), in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, cooperative banks (subject to RBI regulations and the SEBI Regulations and other laws, as applicable)
7. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual under the QIB portion;
8. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Applications portion;
9. Venture Capital Funds registered with SEBI;
10. Foreign Venture Capital Investors registered with SEBI;
11. Eligible Qualified Foreign Investors;
12. Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
13. Multilateral and bilateral development financial institutions;
14. State Industrial Development Corporations;
15. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their respective constitutions to hold and invest in equity shares;
16. Scientific and/or industrial research organizations authorized in India to invest in equity shares;
17. Insurance companies registered with Insurance Regulatory and Development Authority;
18. Provident Funds with a minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
19. Pension Funds with a minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;

20. Limited liability partnerships;
21. National Investment Fund set up by resolution no. F.NO.2/3/2005-DDII dated November 23, 2005 of the Government of India, published in the Gazette of India;
22. Nominated Investor and Market Maker;
23. 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;
24. Any other person eligible to Apply in this Offer, under the laws, rules, regulations, guidelines, and policies applicable to them and under Indian laws.
25. As per the existing policy of the Government of India, OCBs cannot participate in this Offer. 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.
26. Applications not to be made by:
  - a) Minors (except through their Guardians)
  - b) Partnership firms or their nominations
  - c) Overseas Corporate Bodies

**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.**

#### **Maximum and Minimum Application Size**

**a) For Retail Individual Applicants:**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed Rs. 2,00,000.

**b) For Other Applicants [Non-Institutional Applicants and Qualified Institutional Buyer(s) (QIB)]:**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. Application cannot be submitted for more than the Issue Size. However, the maximum application size by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application. Under the existing SEBI regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

The above Information is given for the benefits of the Applicants. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section. Applicants are advised to make their independent investigations and ensure that their Applications 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.

### **Participation by associates and affiliates of the Lead Manager and the Syndicate Members**

The Lead Manager shall not be allowed to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Issue in non Retail Portion, where the allocation is on a proportionate basis and such subscription may be on their own account or on the behalf of their clients.

### **Option to subscribe in the Issue**

- a) As per Section 29(1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form. However, they may get the specified securities re-materialized subsequent to allotment.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable laws.

### **Applications by Mutual Funds**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to reject the Application without assigning any reason thereof.

Applications 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 scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid up share capital carrying voting rights.

### **Applications by Eligible NRIs**

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) 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.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

### **Application by FIIs (including FIIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI

Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our 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 up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

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 SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised 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. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. 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. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

#### **Applications by SEBI registered Venture Capital Funds, Alternative Investment Fund (AIF) and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs. The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have

not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **Applications by Limited Liability Partnership**

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 any Application without assigning any reason thereof. Limited Liability Partnerships can participate in the Issue only through the ASBA Process.

#### **Applications by Insurance Companies**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 ("IRDA Investment Regulations"), as amended, as amended, are broadly set forth below:

1. Equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belongs to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- b) 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 with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- c) With respect to applications made by provident funds with minimum corpus of Rs. 25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs. 25 Crores, 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. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

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, the lead manager may deem fit.

**Our 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 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.**

**The above information is given for the benefit of the Applicants. The Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the 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**

#### **Applications by Provident Funds / Pension Funds**

In case of Applications made by provident funds with minimum corpus of Rs. 25 crores (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **Applications by Banking companies**

In case of Applications made by banking companies registered with RBI, certified copies of:

- (i) The certificate of registration issued by RBI, and
- (ii) The approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason, therefore.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "Banking Regulation Act"), and Master Circular – Para-banking Activities dated July 1, 2015 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 investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and



mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. 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.

### **Applications by Self Certified Syndicate Banks (SCSBs)**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. 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.

### **Information for the Applicants**

1. Our Company and the Lead Manager shall declare the Offer Opening Date and Issue Closing Date in the Draft Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Prospectus with the RoC at least 3 (three) days before the Offer Opening Date.
3. Copies of the Application Form along with Abridged Prospectus and copies of the Prospectus will be available with the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.
4. Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
5. Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected. The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected
7. Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSBs or other Designated Intermediaries (Other than SCSBs) , the relevant SCSB , shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.
8. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for

transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

9. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange. Designated Intermediaries do not match with PAN, the DP ID, and Client ID available in the Depository database, the Application Form is liable to be rejected.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### **Method and Process of Applications**

1. Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
2. The Issue Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.
5. 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 upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below:

<b>For the applications submitted by the investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment</b>	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the

	respective SCSBs for blocking of funds within one day of closure of the Issue.
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6. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
7. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### Terms of payment

The entire Issue price of [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank 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 for Applicants

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same.

Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to Rs. 500,000, may use UPI.

### **Electronic Registration of Applications**

The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities on a regular basis before the closure of the issue.

On the Issue Closing Date, the Designated Intermediaries may upload the applications till such time as may be permitted by the Stock Exchange.

Only Applications that are uploaded on the Stock Exchange Platform are considered for allocation/ Allotment. In the Phase 1, the Designated Intermediaries are given till 1:00 pm on the day following the Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Issue Period after which the Stock Exchange send the application information to the Registrar to the Issue for further processing.

### **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) for the total number of Equity Shares required. 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 our absolute discretion, all or any multiple Applications in any or all categories.

#### **Permanent Account Number or 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 this information 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.

#### **Allocation of Equity shares**

1) The Offer is being made through the Fixed Price Process wherein [●] Equity Shares shall be reserved for Market Maker. [●] Equity Shares having face value of Rs. 10.00 each at a price of [●] per Equity Share aggregating [●] lakhs will be available for allocation to Retail Individual Investors. [●] Equity Shares having face value of Rs.10.00 each at a price of [●] per Equity Share aggregating [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

2) 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 Lead Manager and the Stock Exchange.

3) 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.

4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.

5) Allotment status details shall be available on the website of the Registrar to the Issue

#### **Signing of Underwriting Agreement**

Underwriting Agreement dated [●] has been entered with underwriter(s). This Offer is 100% Underwritten.

#### **Filing of the Prospectus with the ROC**

The Company will file a copy of the Prospectus with the ROC in terms of 26 of the Companies Act, 2013.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering 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.

### Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.
3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within two working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### Designated Date

On the Designated Date, the Registrar to the Offer shall instruct the SCSBs or Sponsor Bank to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Offer Account.

### GENERAL INSTRUCTIONS

#### Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;

- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- 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/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number 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;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document.

Further, helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 are set forth in the table below:

Name of the Lead Manager	Helpline (email)	Telephone
NAVIGANT CORPORATE ADVISORS LIMITED	<a href="mailto:navigant@navigantcorp.com">navigant@navigantcorp.com</a>	+91-22-41204837

#### **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 Managers 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.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **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. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect front January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of BSE i.e. [www.bseindia.com](http://www.bseindia.com)

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

#### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN Nos, UPI ID (if applicable), Client ID and DP ID 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 as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. 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.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer 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 Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within three working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment shall be made within One working day of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than two working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **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*

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of Companies Act, 2013 and shall be treated as Fraud."*

### **Mode of Refunds**

- a) In case of ASBA Applicants: Within three Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer
- b) In the case of Applications 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 Other Investors: Within three Working Days of the Issue Closing Date, the Registrar to the Issue 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 Issue, 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 Bidders' 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 Bidders 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 Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders 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 Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid 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. Bidders may refer to Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer shall make the Allotment within the period prescribed by SEBI. The Issuer shall pay interest at the rate of 15% per annum if Allotment is not made and refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within such times as maybe specified by SEBI.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Issue Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and subsequent amendments to that in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Undertakings by our Company**

We undertake as follows:

- i. That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- ii. 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 the period prescribed by the Board;
- iii. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;

- iv. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- v. That no further Issue of Equity Shares shall be made till the Equity Shares issued through the Draft Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;
- vi. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- vii. That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- viii. If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;

#### UTILIZATION OF THE FRESH ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

- i. all monies received out of the Issue shall be 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;
- ii. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Offer Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
- iii. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- iv. Our Company shall comply with the requirements of section SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to section 177 of the Company's Act, 2013 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue respectively;
- v. Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the 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 FDI through press notes and press releases. The DPIIT issued, 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 SAST 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 (Nondebt 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 of fund in India.

As per the FDI policy, FDI in companies engaged in the retail 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 Offer. For further details, see “*Issue Procedure*” on page 198 of this Draft Prospectus. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar in writing about such approval along with 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 state securities laws 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 of the United States. Accordingly, the Equity Shares are only being offered and sold only outside the United States in offshore transactions in**

**compliance with Regulation S under the U.S. 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 Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

The above information is given for the benefit of the Applicants. Our Company and the Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Issue and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## SECTION X - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

The Companies Act, 2013  
Articles of Association  
of  
DAVIN SONS RETAIL LIMITED  
(Company Limited by Shares)

### 1. Table F Applicable

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

### INTERPRETATION CLAUSE

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

#### Act

- (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

#### Articles

- (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

#### Auditors

- (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

#### Capital

- (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

- (e) \*"The Company" shall mean **DAVIN SONS RETAIL LIMITED**

#### Executor or Administrator

- (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

### **Legal Representative**

(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

### **Gender**

(h) Words importing the masculine gender also include the feminine gender.

### **In Writing and Written**

(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

### **Marginal notes**

(j) The marginal notes hereto shall not affect the construction thereof.

### **Meeting or General Meeting**

(k) "Meeting" or "General Meeting" means a meeting of members.

### **Month**

(l) "Month" means a calendar month.

### **Annual General Meeting**

(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

### **Extra-Ordinary General Meeting**

(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

### **National Holiday**

(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.

### **Non-retiring Directors**

(p) "Non-retiring Directors" means a director not subject to retirement by rotation.

### **Office**

(q) "Office" means the registered Office for the time being of the Company.

### **Ordinary and Special Resolution**

(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.



**Person**

- (s) "Person" shall be deemed to include corporations and firms as well as individuals.

**Proxy**

- (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

**Register of Members**

- (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

**Seal**

- (v) "Seal" means the common seal for the time being of the Company.

**Singular number**

- (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

**Statutes**

- (x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.

**These presents**

- (y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

**Variation**

- (z) "Variation" shall include abrogation; and "vary" shall include abrogate.

**Year and Financial Year**

- (aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

**Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

## CAPITAL

### 3. Authorized Capital

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

### 4. Increase of capital by the Company how carried into effect

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

### 5. Further Issue of Share Capital

- (a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then:
- (i) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
  - (ii) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - (iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;
  - (iv) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
- (b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
- (i) If a special resolution to that effect is passed by the company in general meeting, or
  - (ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central

Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

- (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:
  - (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
  - (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

#### **6. New Capital same as existing capital**

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

#### **7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

#### **8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

**9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

**10. Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:

- (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;
- (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
  - (a) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

**11. Reduction of capital**

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

- (a) the share capital;
- (b) any capital redemption reserve account; or
- (c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

**12. Debentures**

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

**13. Issue of Sweat Equity Shares**

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

**14. ESOP**

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

**15. Buy Back of shares**

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.

**16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

**18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

**19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

## MODIFICATION OF CLASS RIGHTS

### 20. Modification of rights.

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

#### **New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

### 21. Shares at the disposal of the Directors.

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

### 22. Power to issue shares on preferential basis.

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

### 23. Shares should be Numbered progressively and no share to be subdivided.

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc.to be a debt payable immediately.**

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

**27. Liability of Members.**

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

**28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

**RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

29. The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act

**CERTIFICATES**

**30. Share Certificates.**

- (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and

distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

**31. Issue of new certificates in place of those defaced, lost or destroyed.**

- (a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.
- (b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

- (c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

- (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

**Maximum number of joint holders.**

- (b) The Company shall not be bound to register more than three persons as the joint holders of any share.



**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

**UNDERWRITING AND BROKERAGE**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

**36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

**CALLS**

**37. Directors may make calls**

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

**38. Notice of Calls**

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

**39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

**40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

**41. Directors may extend time.**

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

**42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

**43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

**44. Proof on trial of suit for money due on shares.**

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**45. Judgment, decree, partial payment motto proceed for forfeiture.**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

**46. Payments in Anticipation of calls may carry interest**

- (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the

purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

**55. Forfeited shares to be property of the Company and may be sold etc.**

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

**62. Validity of sale**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**64. Execution of the instrument of shares.**

- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

**65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

**66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

**67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may,

whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

**68. Notice of refusal to be given to transferor and transferee.**

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

**69. No fee on transfer.**

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

**70. Closure of Register of Members or debenture holder or other security holders**

The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

**71. Custody of transfer Deeds.**

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

**72. Application for transfer of partly paid shares.**

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

**73. Notice to transferee.**

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**74. Recognition of legal representative.**

- (a) 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 person recognized by the Company as having any title to his interest in the shares.
- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

**76. Notice of application when to be given**

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

**77. Registration of persons entitled to share otherwise than by transfer. (Transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.



**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

**NOMINATION**

**83. Nomination**

- i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014

- iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
- iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

**84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- (i) to be registered himself as holder of the security, as the case may be; or
- (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
- (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
- (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

**DEMATERIALISATION OF SHARES**

**85. Dematerialisation of Securities**

Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.

**JOINT HOLDER**

**86. Joint Holders**

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

**87. Joint and several liabilities for all payments in respect of shares.**

- (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

**Title of survivors.**

- (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

**Receipts of one sufficient.**

- (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

**Delivery of certificate and giving of notices to first named holders.**

- (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.

**SHARE WARRANTS**

**88. Power to issue share warrants**

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

**89. Deposit of share warrants**

- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.
- (b) Not more than one person shall be recognized as depositor of the Share warrant.
- (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

- (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**CONVERSION OF SHARES INTO STOCK**

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting.

- a) convert any fully paid-up shares into stock; and
- b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

**BORROWING POWERS**

**96. Power to borrow.**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not

without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

**97. Issue of discount etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

**MEETINGS OF MEMBERS**

**102. Distinction between AGM & EGM.**

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

- (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

**Proceedings at General Meeting**

- (b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.
- (c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

**When a Director or any two Members may call an Extra Ordinary General Meeting**

- (d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

**104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

**105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

**106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

**107. Chairman with consent may adjourn meeting.**

- a) 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.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) 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.

d) 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.

**108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

**109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

**110. Demand for poll not to prevent transaction of other business.**

The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

**VOTES OF MEMBERS**

**111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

**112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

**116. E-Voting**

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**117. Votes of joint members.**

- a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles

**119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

**120. Members paying money in advance.**

- (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

**Members not prohibited if share not held for any specified period.**

- (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.



**121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

**122. No votes by proxy on show of hands.**

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

**123. Appointment of a Proxy.**

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.

**124. Form of proxy.**

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

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.

**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## DIRECTORS

### 128. Number of Directors

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution

**The First Directors of the Company shall be:**

1. Mr. Mohit Arora
2. Mr. Nohit Arora
3. Mr. Davinder Arora

### 129. Qualification shares.

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

### 130. Nominee Directors.

- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.
- (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
- (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

### 131. Appointment of alternate Director.

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring

Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

**132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

**133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

**134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

**135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

**PROCEEDINGS` OF THE BOARD OF DIRECTORS**

**136. Meetings of Directors.**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

**137. Chairman and Vice Chairman**

- a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the

absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

- b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

**138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

**139. Continuing directors may act notwithstanding any vacancy in the Board**

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.

**140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**141. Committee Meetings how to be governed.**

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**142. Chairperson of Committee Meetings**

- a) A committee may elect a Chairperson of its meetings.
- b) 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.

**143. Meetings of the Committee**

- a) A committee may meet and adjourn as it thinks fit.
- b) 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.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

**POWERS OF THE BOARD**

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

**To acquire any property, rights etc.**

- (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

**To take on Lease.**

- (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

**To erect & construct.**

- (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

**To pay for property.**

- (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

**To insure properties of the Company.**

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

**To open Bank accounts.**

- (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

**To secure contracts by way of mortgage.**

- (7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

- (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**

- (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

- (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

- (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

- (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

- (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

- (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

**To determine signing powers.**

- (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

- (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

- (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

**Transfer to Reserve Funds.**

- (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

**To appoint and remove officers and other employees.**

- (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

- (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.



**To enter into contracts.**

- (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**To make rules.**

- (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

- (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

- (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

- (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

- (26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

- (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
- (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
- (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time

subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.

- (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.
- (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.
- (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
- (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
- (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
- (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.
- (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.
- (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

#### MANAGING AND WHOLE-TIME DIRECTORS

##### 148. Powers to appoint Managing/ Wholetime Directors.

- a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or

them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

- b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

**149. Remuneration of Managing or Wholetime Director.**

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

**150. Powers and duties of Managing Director or Whole-time Director.**

- (1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.
- (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.
- (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
- (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
- (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

- a) 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.
- b) 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**

**152. The seal, its custody and use.**

- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

**153. Deeds how executed.**

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 authorized 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.

**Dividend and Reserves**

**154. Division of profits.**

- (1) 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.
- (2) 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.
- (3) 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.

**155. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

**156. Transfer to reserves**

- a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**157. Interim Dividend.**

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.

**158. Debts may be deducted.**

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

**159. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

**160. Dividends in proportion to amount paid-up.**

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

**161. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**162. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

**163. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**164. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**165. Dividends how remitted.**

- a) 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.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**166. Notice of dividend.**

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.

**167. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**168. Unpaid or unclaimed dividend**

- a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
- b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

## CAPITALIZATION

### 169. Capitalization.

- (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) 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; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

### 170. Fractional Certificates.

- (1) 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 capitalized thereby and all allotments and issues of fully paid shares, if any, and
  - (b) Generally to do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
  - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
  - (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 capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

**171. Inspection of Minutes Books of General Meetings.**

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

**172. Inspection of Accounts**

- a) 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.
- b) 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.

**FOREIGN REGISTER**

**173. Foreign Register.**

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

**DOCUMENTS AND SERVICE OF NOTICES**

**174. Signing of documents & notices to be served or given.**

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

**175. Authentication of documents and proceedings.**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

**WINDING UP**

**176. 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

### 177. Directors' and others right to indemnity.

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

### 178. Not responsible for acts of others

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

## SECRECY

### 179. Secrecy

(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

**Access to property information etc.**

- (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

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**SECTION XI - OTHER INFORMATION****MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following contracts which have been entered or are to be entered into by 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 delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of the Draft Prospectus until the Issue Closing Date.

**MATERIAL CONTRACTS**

1. Issue Agreement dated 21<sup>st</sup> July, 2023 between our Company and the Lead Managers.
2. Registrar Agreement dated 7<sup>th</sup> July, 2023 between our Company and the Registrar to the Issue.
3. Banker(s) to the Issue Agreement dated [●] between our Company, the Lead Managers, Banker(s) to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, the Lead Managers and Market Maker.
5. Underwriting Agreement dated [●] between our Company, the Lead Managers and the Underwriter.
6. Tripartite agreement between the CDSL, our Company and the Registrar to the Issue dated 20<sup>th</sup> June, 2023.
7. Tripartite agreement between the NSDL, our Company and the Registrar to the Issue dated 2<sup>nd</sup> June, 2023.

**MATERIAL DOCUMENTS**

8. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
9. Copy of Certificate of Incorporation dated 8<sup>th</sup> February, 2022 issued under the name Davinsons Retail Limited.
10. Resolution of the Board of Directors dated 30<sup>th</sup> June, 2023 authorizing the Issue and other related matters.
11. Resolution of the Shareholders of our Company, passed at the Extra-Ordinary General Meeting held on 5<sup>th</sup> July, 2023 authorizing the Issue and other related matters.
12. Copy of the resolution dated 6<sup>th</sup> June, 2023 for appointment of Mr. Mohit Arora as Managing Director.
13. Copy of resolution dated 30<sup>th</sup> November, 2023 for appointment of Mr. Nohit Arora as Whole Time Director.
14. Board Resolution dated 27<sup>th</sup> December, 2023 for approval of Draft Prospectus and dated [●] for approval of Prospectus.
15. Auditor's report for Restated Financial Statements dated 18<sup>th</sup> December, 2023 on the Restated Financial Statements for the financial years ended March 31, 2023 and 2022 and for the period ended November 30, 2023 included in this Draft Prospectus.

16. The Statement of Possible Tax Benefits dated 25<sup>th</sup> December, 2023 from our Peer Review Auditors included in this Draft Prospectus.
17. Copies of Audited Financial Statements of the Company for the financial year ended March 31, 2023 and for the period ended November 30, 2023.
18. Business purchase agreement dated 2<sup>nd</sup> March, 2023 entered between our Company and M/s. Jesus Shirts.
19. Copy of certificate from the statutory Auditors of our Company dated 25<sup>th</sup> December, 2023 regarding the sources and deployment of funds as on 30<sup>th</sup> November, 2023.
20. Certificate on KPI's issued by the Peer Review Auditors, namely M/s Sharma Sharma & Co, Chartered Accountants dated 25<sup>th</sup> December, 2023.
21. Consents of our Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker(s) to the Company, Lead Managers, Legal Advisor to the Issue, Registrar to the Issue, Banker to the Issue, Underwriter and Market Maker to act in their respective capacities.
22. Due Diligence Certificate dated 27<sup>th</sup> December, 2023 from the Lead Managers to BSE.
23. Due Diligence Certificate dated [●] to SEBI by the Lead Managers.
24. Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

Any of the contracts or documents mentioned in the 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 the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

### DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, 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 Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, each as Amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Prospectus are true and correct.

#### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/- <b>Mr. Mohit Arora</b> Chairman & Managing Director DIN: 07231072	Sd/- <b>Mr. Nohit Arora</b> Whole Time Director DIN: 09424503
Sd/- <b>Mrs. Sonam Arora</b> Non - Executive Director DIN: 10163260	Sd/- <b>Ms. Sapna</b> Non-Executive Independent Director DIN: 10294154
Sd/- <b>Ms. Saloni Mehra</b> Non-Executive Independent Director DIN: 10062907	

#### SIGNED BY THE CFO AND CS OF OUR COMPANY

Sd/- <b>Mr. Chander Parkash</b> Chief Financial Officer	Sd/- <b>Ms. Kavita Wadhwa</b> Company Secretary and Compliance Officer
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**Date:** 27<sup>th</sup> December, 2023

**Place:** Delhi

**TRACK RECORDS OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED**

**Annexure A**

**Disclosure of Price Information of Past Issues Handled By Merchant Banker(s)**

**TABLE 1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]-180th calendar days from listing
<b>SME BOARD</b>								
1)	SVJ Enterprises Limited	6.12	36.00	09-03-2023	38.00	-18.31(0.07)	+19.58(+5.58)	+148.59(+9.99)
2)	Amanaya Ventures Limited	2.76	23.00	09-03-2023	20.10	-30.31(0.07)	-23.66 (+5.58)	-3.33 (+9.99)
3)	Nirman Agri Genetics Limited	20.30	99.00	28-03-2023	102.00	-24.20(+5.27)	+24.99 (+9.30)	+87.85(+14.60)
4)	Kore Digital Limited	18.00	180.00	14-06-2023	201.00	-58.10(+4.48)	+48.26(+6.31)	+106.05(+10.60)
5)	Cell Point (India) Limited	50.34	100.00	28-06-2023	100.00	-52.21(+3.51)	-46.74(+3.18)	-54.16(+11.61)
6)	Synoptics Technologies Limited	54.04	237.00	13-07-2023	238.00	-45.05(-0.24)	-45.44(+1.39)	N.A.
7)	Ondoor Concepts Limited	31.18	208.00	01-11-2023	214	-6.20(6.12)	N.A.	N.A.
8)	Shanthala FMCG Products Limited	16.07	91.00	03-11-2023	108	20.44(6.99)	N.A.	N.A.
9)	Graphisads Limited	53.41	111	14-12-2023	111.50	N.A.	N.A.	N.A.
<b>MAIN BOARD</b>								
10)	Pyramid Technoplast Limited	153.05	166	29-08-2023	187.00	+2.98(+0.66)	23.92(1.69)	N.A.

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the nearest trading day has been considered.

4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the nearest trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			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%
<b>SME BOARD</b>														
2023-24*	9	328.31	2	1	1	-	-	1	1	-	-	1	-	-
2022-23	10	193.93	-	4	3	3	-	-	2	1	-	3	-	1
2021-22	4	96.13	1	1	-	2	-	-	2	-	-	1	1	-
<b>MAIN BOARD</b>														
2023-24*	1	1530.52	-	-	1	-	-	-	-	-	-	-	-	-

\* Upto date of this Draft Prospectus

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY NAVIGANT CORPORATE ADVISORS LIMITED**

**TABLE:1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Prabhat Telecoms (India) Limited	11.22	51.00	03-08-2016	61.20	+43.14% (+3.01%)	+47.06% (+0.65%)	+54.90% (+0.55%)
2	KMS Medisurgi Limited	2.70	30.00	24-04-2017	30.00	+0% (+2.18%)	+2.17% (+8.00%)	+0.33% (+9.22%)
3	Pure Giftcarat Limited	7.45	13.00	08-05-2017	10.80	+0.77% (+4.49%)	+0% (+8.02%)	+8.85% (+12.56%)
4	Jalan Transolutions (India) Limited	17.71	46.00	31-05-2017	41.50	-21.74% (-0.72%)	-27.07% (+0.78%)	-12.28% (+8.28%)
5	G G Engineering Limited	2.23	20.00	17-07-2017	21.00	+9.50% (-0.87%)	+119.75% (+1.12%)	+155.00% (+7.85%)
6	Keerti Knowledge & Skills Limited	4.05	52.00	07-08-2017	51.05	-9.02% (-1.90%)	-27.12% (+4.37%)	+1.92% (+8.65%)
7	Ashok Masala Mart Limited	2.01	10.00	22-08-2017	12.00	-19.40% (+3.45%)	-6.50% (+7.65%)	-7.50% (+8.69%)
8	Manav Infra Projects Limited	5.51	30.00	18-09-2017	32.00	-32.50% (+0.50%)	-40.83% (+3.21%)	-48.33% (+3.89%)
9	Ajooi Biotech Limited	6.59	30.00	02-01-2018	36.00	+51.33% (+6.19%)	+3.33% (-1.65%)	-20.00% (+4.77%)
10	Continental Seeds and Chemicals Limited	4.21	26.00	04-04-2018	27.30	-16.19% (+5.74%)	-26.92% (+7.15%)	-47.50% (+9.72%)
11	Power and Instrumentation (Gujarat) Limited	6.15	33.00	23-04-2018	35.00	-6.36% (+0.58%)	-48.48% (+5.94%)	-63.64% (-0.39%)
12	Dr Lalchandani Labs Limited	4.20	30.00	09-05-2018	29.95	-2.50% (+0.35%)	+3.17% (+6.64%)	-20% (-2.84%)
13	Sirca Paints India Limited	77.91	160.00	30-05-2018	162.00	-5.25% (+1.48%)	+49.78% (+10.85%)	+36.50% (+0.21%)





14	Rajnish Wellness Limited	11.98	95.00	09-07-2018	100.00	+18.05% (+5.43%)	+20.84% (-4.33%)	+37.00% (+0.67%)
15	Akg Exim Limited	5.52	31.00	25-09-2018	32.25	+5.16% (-7.14%)	+3.23% (-2.48%)	+15.81% (+4.13%)
16	SBC Exports Limited	6.56	22.00	04-07-2019	22.00	+10.23% (+7.23%)	+9.77% (-4.02%)	+42.50% (+3.37%)
17	Wonder Fibromats Limited	19.79	89.00	06-08-2019	93.00	-0.28% (-0.90%)	+2.25% (+8.99%)	+0.00% (+7.46%)
18	Salasar Exteriors & Contour Limited	8.50	36.00	12-09-2019	36.00	+12.50% (+2.76%)	+61.11% (+8.92%)	+2.78% (-3.96%)
19	Focus Business Solution Limited	1.22	19.00	13-07-2021	29.35	+19.21% (+3.93%)	-12.89% (+13.96%)	-36.74% (+13.22%)
20	Rex Pipes & Cable Industries Limited	6.24	26.00	10-08-2021	26.80	+76.92% (+6.87%)	+96.15% (+10.98%)	+67.88% (+10.98%)
21	KCK Industries Limited	4.50	30.00	08-07-2022	26.80	-18.83% (+7.17%)	-32.33% (+6.87%)	-40.83% (+12.50%)

Note: The 30<sup>th</sup>, 90<sup>th</sup>, and 180<sup>th</sup> calendar days has been taken as listing date plus 29, 89, 179 calendar days respectively. Where the 30<sup>th</sup> day / 90<sup>th</sup> day / 180<sup>th</sup> day falls on BSE / NSE Trading holiday or falls on day when there is no trade in equity share of the respective company, preceding trading day has been considered. BSE SENSEX has been considered as the benchmark index. We have taken the Issue Price to calculate the % of change in closing price as on 30<sup>th</sup>, 90<sup>th</sup>, and 180<sup>th</sup> calendar day.

TABLE 2: SUMMARY STATEMENT OF DISCLOSURE OF PAST ISSUED HANDELED BY NAVIGANT CORPORATE ADVISORS LIMITED

Financial Year	Total No. of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount - 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			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%
2022-2023	1	4.50	0	0	1	0	0	0	0	1	0	0	0	0
2021-2022	2	7.46	0	0	0	1	0	1	0	1	0	1	0	0
2019-2020	3	34.85	0	0	1	0	0	0	0	0	0	0	1	2
2018-2019	6	109.97	0	0	4	0	0	2	1	1	1	0	2	1
2017-2018	8	48.25	0	1	3	1	0	3	0	1	3	1	0	3
2016-2017	1	11.22	0	0	0	0	1	0	0	0	0	1	0	0

