



(Please scan this QR Code to view the Red Herring Prospectus)

**RED HERRING PROSPECTUS**  
Dated: April 22, 2023  
Please read Section 26 and 32 of the  
Companies Act, 2013  
(This Red Herring Prospectus will be  
updated upon filing with the RoC)  
**100% Book Built Issue**



**INNOKAIZ INDIA LIMITED**

Corporate Identification Number: U74900TN2013PLC089349

Registered Office	Contact Person	Email and Telephone	Website
Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4 <sup>th</sup> Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India.	Ms. Mamta Saini <b>Company Secretary and Compliance Officer</b>	<b>Email Id:</b> info@innokaiz.com <b>Tel no:</b> 044-28250545	www.innokaizindia.com

**PROMOTER OF THE COMPANY: MR. BALAKRISHNAN SUKUMARBALAKRISHNAN**

**DETAILS OF THE ISSUE**

Type	Fresh Issue Size (In ₹ Lakhs)	OFS Size (In ₹ Lakhs)	Total Issue Size	Eligibility
Fresh Issue	Upto 27,13,600 Equity Shares amounting to ₹ [●]	Nil	[●]	THIS ISSUE IS BEING MADE IN TERMS OF REGULATION 229 AND 253(1) OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED.

**DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDER AND THEIR AVERAGE COST OF ACQUISITION: NOT  
APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES**

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10.00 each. The Floor Price, Cap Price 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 Book Running Lead Manager as stated in “*Basis for Issue Price*” on page 83 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 the 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 in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to the section “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus.


**ISSUER’S ABSOLUTE RESPONSIBILITY**

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


**LISTING**

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

**BOOK RUNNING LEAD MANAGER TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>GRETEX CORPORATE SERVICES LIMITED</b>	Ms. Dimple Magharam Slun	<b>Email:</b> info@gretexgroup.com <b>Tel No.:</b> +91 96532 49863

**REGISTRAR TO THE ISSUE**

Name and Logo	Contact Person	Email & Telephone
 <b>BIGSHARE SERVICES PRIVATE LIMITED</b>	Mr. Ankit Chindarkar	<b>Email:</b> ipo@bigshareonline.com <b>Tel:</b> +91 22 6263 8200

**ISSUE PROGRAMME**

<b>ANCHOR PORTION ISSUE OPENS/CLOSES ON:</b>	THURSDAY, APRIL 27, 2023
<b>ISSUE OPENS ON:</b>	FRIDAY, APRIL 28, 2023
<b>ISSUE CLOSES ON:</b>	WEDNESDAY, MAY 03, 2023

The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.



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**RED HERRING PROSPECTUS**  
**Dated: April 22, 2023**  
**Please read Section 26 and 32 of the**  
**Companies Act, 2013**  
**(This Red Herring Prospectus will be**  
**updated upon filing with the RoC)**  
**100% Book Built Issue**



**INNOKAIZ INDIA LIMITED**  
**Corporate Identification Number: U74900TN2013PLC089349**

Our Company was originally incorporated on January 11, 2013 as a Private Limited Company as “Innokaiz India Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on August 26, 2022 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Innokaiz India Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 27, 2022 by the Registrar of Companies, Chennai. The Corporate Identification Number of our Company is U74900TN2013PLC089349. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled ‘Our History and Certain Other Corporate Matters’ beginning on page 145 of this Red Herring Prospectus.

**Registered Office:** Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India  
**Contact Person:** Ms. Mamta Saini, **Company Secretary and Compliance Officer**  
**Tel:** 044-28250545; **E-mail:** info@innokaiz.com; **Website:** www.innokaizindia.com  
**Our Promoter:** Mr. Balakrishnan Sukumarbalakrishnan

#### DETAILS OF THE ISSUE

PUBLIC ISSUE OF UPTO 27,13,600 EQUITY SHARES OF FACE VALUE OF ₹ 10.00 EACH (“EQUITY SHARES”) OF INNOKAIZ INDIA LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”) OF WHICH UPTO 1,36,000 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 25,77,600 EQUITY SHARES AGGREGATING TO ₹ [●] LAKHS (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.54% AND 25.21% RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLM AND WILL BE ADVERTISED IN ALL EDITION OF FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER) AND ALL EDITION OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND CHENNAI EDITION OF MADRASMANI, (TAMIL BEING THE REGIONAL LANGUAGE OF CHENNAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE (“BSE SME”) FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE.

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLM and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and Sponsor Bank.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein (not more than 50 % of the Net Issue) shall be allocated on a proportionate basis to Qualified Institutional Buyers (“QIBs”, the “QIB Portion”), provided that our Company may, in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (“Anchor Investor Portion”), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, (not less than 15% of the Net Issue) shall be available for allocation on a proportionate basis to Non-Institutional Bidders and (not less than 35% of the Net Issue) shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount (“ASBA”) process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCBSs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see “Issue Procedure” beginning on page 203 of this Red Herring Prospectus.

#### ELIGIBLE INVESTORS

For details in relation to Eligible Investors, please refer to section titled “Issue Procedure” beginning on page 203 of this Red Herring Prospectus.

#### RISK IN RELATION TO THE FIRST ISSUE

The face value of the Equity Shares is ₹10.00. The Floor Price, Cap Price and Issue Price determined by our Company, in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under “Basis for Issue Price” on page 83 should not be considered 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 nor regarding the price at which the Equity Shares will be traded after listing.

#### GENERAL RISKS

Investments in Equity and Equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in 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 Red Herring Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 28 of this Red Herring Prospectus.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

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

#### LISTING

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

#### BOOK RUNNING LEAD MANAGER TO THE ISSUE

  
**GRETEX CORPORATE SERVICES LIMITED**  
 Office No. 13, 1<sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400001, Maharashtra, India.  
**Tel No.:** +91 96532 49863  
**Email:** info@gretexgroup.com  
**Website:** www.gretexcorporate.com  
**Contact Person:** Ms. Dimple Magharam Slum  
**SEBI Registration No:** INM000012177  
**CIN:** L74999MH2008PLC288128

#### REGISTRAR TO THE ISSUE

  
**BIGSHARE SERVICES PRIVATE LIMITED**  
 S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India  
**Tel No.:** +91 - 22 - 6263 8200; **Fax No.:** +91 - 22 - 6263 8299  
**E-mail:** ipo@bigshareonline.com  
**Investor Grievance E-mail:** investor@bigshareonline.com  
**Website:** www.bigshareonline.com  
**Contact Person:** Mr. Ankit Chindarkar  
**SEBI Registration No.:** INR000001385  
**CIN:** U99999MH1994PTC076534

#### ISSUE PROGRAMME

**ANCHOR INVESTOR PORTION ISSUE OPENS / CLOSSES: THURSDAY, APRIL 27, 2023**

**ISSUE OPENS ON: FRIDAY, APRIL 28, 2023**

**ISSUE CLOSSES ON: WEDNESDAY, MAY 03, 2023**

The Company may, in consultation with the Book Running Lead Manager, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid / Issue Period shall be one Working Day prior to the Bid / Issue Opening Date.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

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

*Notwithstanding the foregoing, terms used in of the sections “Statement of Special Tax Benefits”, “Financial Statements as Restated”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “Our History and Certain Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 86, 152, 235, 83, 145, 181 and 166 respectively, shall have the meaning ascribed to such terms in the relevant section.*

#### **GENERAL TERMS**

<b>Term</b>	<b>Description</b>
“Innokaiz India Limited”, “Innokaiz”, “IIL” “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Innokaiz India Limited, a Public Limited Company incorporated as a Private Limited company under the Companies Act, 1956 and having its Registered Office at Door No. 43, Old No. 22 Real Enclave, Flat No. 1, 4 <sup>th</sup> Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India.
Promoter(s) / Core Promoter	The promoter of our Company being Mr. Balakrishnan Sukumarbalakrishnan for further details, please refer to chapter titled “ <b>Our Promoter and Promoter Group</b> ” on page 145 of this Red Herring Prospectus.
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <b>Our Promoter and Promoter Group</b> ” on page 145 of this Red Herring Prospectus.

#### **COMPANY RELATED TERMS**

<b>Term</b>	<b>Description</b>
AOA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Innokaiz India Limited, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 125 of this Red Herring Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being M/s Gupta Agarwal & Associates Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 48 of this Red Herring Prospectus.
Banker to our Company	ICICI Bank Limited as disclosed in the section titled “ <b>General Information</b> ” beginning on page 48 of this Red Herring Prospectus.
Board / Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 125 of this Red Herring Prospectus.
CIN / Corporate Identification Number	U74900TN2013PLC089349
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 48 of this Red Herring Prospectus.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 48 of this Red Herring Prospectus.
Director(s) / our Directors	Director(s) of our company unless otherwise specified
Depositories Act	The Depositories Act, 1996, as amended from time to time

Term	Description
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10.00 each unless otherwise specified in the context thereof.
Equity Shareholders / Shareholders	Persons / Entities holding Equity Shares of the Company
Executive Director	An Executive Director of our Company, as appointed from time to time
Financial Statements as Restated	The financial information of the Company which comprises of the Restated Statement of Assets and Liabilities for the stub period ended on October 31, 2022 and the Financial Year ended on March 31, 2022; 2021 and 2020, the Restated Statement of Profit and Loss and the Restated Cash Flow Statement for the Stub period ended October 31, 2022 and Financial Year ended March 31, 2022; 2021 and 2020, and the related notes, schedules and annexures thereto included in this Red Herring Prospectus, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations.
Fugitive economic offender	Shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
GIR Number	General Index Registry Number
Group Companies / Entities	Such companies / entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies / entities, please refer <b>“Our Group Companies”</b> on page 178 of this Red Herring Prospectus.
HNI	High Net worth Individual
HUF	Hindu Undivided Family
IBC	The Insolvency and Bankruptcy Code, 2016
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled <b>“Our Management”</b> beginning on page 125 of this Red Herring Prospectus.
ISIN	International Securities Identification Number, being INEOLDI01022
IT Act	The Income Tax Act, 1961 as amended till date.
JV/ Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1) (bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled <b>“Our Management”</b> beginning on page 125 of this Red Herring Prospectus.
LLP	Limited Liability Partnership incorporated under Limited Liability Partnership Act, 2008.
MD or Managing Director	The Managing Director of our Company is Mr. Balakrishnan Sukumarbalakrishnan.
Materiality Policy	The policy on identification of Group Companies, Material Creditors and Material Litigation, adopted by our Board on December 29, 2022 in accordance with the requirements of the SEBI (ICDR) Regulations.
MoA / Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time
Non-Executive Director	The non-executive directors (other than the Independent Directors) of our Company in terms of the Companies Act, and the rules thereunder. For details, see section titled <b>“Our Management”</b> on page 125 of this Red Herring Prospectus.
NRI/ Non-Resident Indians	A person resident outside India, as defined under Foreign Exchange Management Act 1999 and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Nomination & Remuneration Committee	The Nomination and Remuneration Committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013, as disclosed in the chapter titled <b>“Our Management”</b> beginning on page 125 of this Red Herring Prospectus.
Registered Office	The Registered Office of our Company situated at Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India.



Term	Description
RoC / Registrar of Companies	Registrar of Companies, Chennai situated at Registrar of Companies, Block No. 6, B Wing, 2 <sup>nd</sup> Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu, India.
Senior Management	The officers and personnel of the issuer who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.
Stakeholders' Relationship Committee	The Stakeholder's Relationship Committee of our Company constituted in accordance with Section 178 of Companies Act, 2013 and as described under the chapter titled " <b>Our Management</b> " beginning on page 125 of this Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of BSE Limited
You or Your or Yours	Prospective Investors in this Issue.

## ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation / Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allottee(s)	A successful Applicant(s) to whom the Equity Shares are being / have been allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 Lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus.
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager.
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Managers, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company.
Application Supported by Blocked Amount / ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include amounts blocked by RIIs using the UPI mechanism.

Term	Description
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII Applicants blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process
ASBA Application / Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
Bankers to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled titled <b>“General Information”</b> on page no. 48 of this Red Herring Prospectus.
Bankers to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Escrow Agreement is entered and in this case being ICICI Bank Limited.
Bankers to the Issue Agreement	Bank which is a clearing member and registered with SEBI as Banker to the Issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in <b>“Issue Procedure”</b> on page 199 of this Red Herring Prospectus.
Bid	An indication to make an offer during the Bid/ Issue Period by a Bidder (other than an Anchor Investor) pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/ Issue Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.
Bid/ Issue Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Chennai Edition of Regional newspaper Madrasmani where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue closing Date also to be notified on the website and terminals of the Syndicate, SCSB’s and Sponsor Bank, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Chennai Edition of Regional newspaper Madrasmani where the registered office of the company is situated, each with wide circulation, and in case of any revision, the extended Bid/ Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	Except in relation to any Bids received from the Anchor Investors, the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date or the QIB Bid/ Issue Closing Date, as the case may be, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof. Provided however that the Bidding/ Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders.
Bidder/ Applicant	Any prospective investor who makes a bid pursuant to the terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor Investor.
Bidding	The process of making a Bid.
Book Building Process/ Book Building Method	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
BRLM / Book Running Lead Manager	Book Running Lead Manager to the Issue in this case being Gretex Corporate Services Limited, SEBI Registered Category I Merchant Banker.
Bidding/ Collection Centers	Centers at which the Designated intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, specified locations for syndicates, broker centers for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.

<b>Term</b>	<b>Description</b>
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the BSE Limited on the following link- <a href="http://www.bseindia.com">www.bseindia.com</a>
BSE SME	SME Platform of BSE Limited
Business Day	Monday to Friday (except public holidays)
CAN / Confirmation of Allocation Note	Confirmation of Allocation Note / the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the price band above which the Issue Price will not be finalized and above which no Bids (or a revision thereof) will be accepted.
Circular's on Streamlining of Public Issues	Circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 amended by circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and any subsequent circulars issued by SEBI in this regard.
Client ID	Client identification number of the Applicant's beneficiary account
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collecting Registrar and Share Transfer Agent	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches / Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate Application Forms by the ASBA Applicants with the Registrar to the Issue and Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Cut Off Price	The Issue Price, which shall be any price within the Price band as finalized by our Company in consultation with the BRLM. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investor) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details and UPI ID wherever applicable.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996
Depository Participant / DP	A depository participant as defined under the Depositories Act
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> )
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.  In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.



Term	Description
Designated Market Maker / Market Maker	In our case, Gretex Share Broking Private Limited having its registered office at Office No. 13, 1 <sup>st</sup> Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort Mumbai – 400023, Maharashtra, India.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange (www.bseindia.com).
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange / Stock Exchange	BSE Limited.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated March 02, 2023 filed with the BSE Limited in accordance with the SEBI ICDR Regulations
DP	Depository Participant
DP ID	Depository Participant's Identity number
Eligible NRI	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened Demat accounts with SEBI registered qualified depository participants.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow and Sponsor Bank Agreement	Agreement dated April 17, 2023 entered into amongst the Company, Book Running Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First / Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue	Fresh Issue of upto 27,13,600 Equity Shares of face value ₹ 10.00 each of Innokaiz India Limited for cash at a price of ₹ [●] per Equity Shares (including premium of ₹ [●] per Equity Shares) aggregating ₹ [●] Lakhs, by our Company.
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI/ Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018.
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the offer document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the offer document.
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) page October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and

Term	Description
	(SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the BRLM.
Issue / Public Issue / Issue size / Initial Public Offer / Initial Public Offering / IPO / Present Issue	Public Issue of upto 27,13,600 Equity Shares of face value ₹ 10.00 each of Innokaiz India Limited for cash at a price of ₹ [●] per Equity Shares (including premium of per ₹ [●] Equity Shares) aggregating ₹ [●] Lakh by our Company.
Issue Agreement	The agreement dated January 11, 2023, entered into between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription
Issue Opening Date	The date on which the Issue opens for subscription
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about use of the Issue Proceeds please see the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 78 of this Red Herring Prospectus
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 1,600 and in multiples of 1,600 thereafter; subject to a minimum allotment of 1,600 Equity Shares to the successful applicants.
Market Making Agreement	Market Making Agreement dated January 11, 2023 between our Company, the Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	1,36,000 Equity Shares of ₹ 10.00 each at ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism
Minimum Promoters' Contribution	Aggregate of 20% of the fully diluted Post- Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoters of 20% and locked-in for a period of three years from the date of Allotment.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Issue Price
Net Issue	The Issue excluding the Market Maker Reservation Portion of upto 25,77,600 Equity Shares of face value of ₹ 10.00 each fully paid up for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating ₹ [●] Lakh by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allocated to the Anchor Investors.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors who have made Application for Equity Shares for an amount of more than ₹ 2.00 Lakh (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations
Non-Resident Indian / NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
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

Term	Description
	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
Pay-in-Period	The period commencing on the Bid/Issue Opening date and extended till the closure of the Anchor Investor Pay-in-Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and / or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Price Band	Price Band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid/ Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50.00% of the Net Issue, consisting of 12,88,000 Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1) (ss) of the SEBI ICDR Regulations, 2018.
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto.
Refund Bank/ Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited.
Refund Account	The 'no-lien' and 'non-interest bearing' account opened with the Refund Bank, from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated January 11, 2023 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar to the Issue	Registrar to the Issue being Bigshare Services Private Limited.
Retail Individual Investors / RIIs	Applicants (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹ 2.00 Lakh.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Securities laws	Means the Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.

Term	Description
SME Exchange	SME Platform of the BSE i.e. BSE SME.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="https://www.sebi.gov.in/">https://www.sebi.gov.in/</a> ) and updated from time to time.
Specified Securities	Equity shares offered through this Red Herring Prospectus.
Sub Syndicate Member	A SEBI Registered member of BSE appointed by the BRLM and/ or syndicate member to act as a Sub Syndicate Member in the Issue.
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated April 17, 2023 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Bidding Locations	Bidding Centers where an ASBA Bidder can submit their Bid in terms of SEBI Circular no. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with SEBI eligible to act as a syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Gretex Share Broking Private Limited.
Systemically Important Nonbanking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member of the Syndicate or SCSB (only on demand) as the case may be, to the Applicant as proof of registration of the Application.
SEBI (ICDR) Regulations/ ICDR Regulation/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being ICICI Bank Limited.
Underwriter	Gretex Corporate Services Limited and Gretex Share Broking Private Limited.
Underwriting Agreement	The agreement dated January 11, 2023 entered into between the Underwriters, our Company and the Book Running Lead Manager.
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/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 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 SEBI Circular No: SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated May 30, 2022.and any subsequent circulars or notifications issued by SEBI in this regard.
UPI	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UP ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment.
UPI mechanism	The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.



Term	Description
UPI PIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Venture Capital Fund/ VCF	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
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(1) (III) of the SEBI (ICDR) Regulations, 2018.
Working Days	All days on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid / Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

## CONVENTIONAL AND GENERAL TERMS

Term	Description
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under SEBI AIF Regulations
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000
Category I Foreign Portfolio Investor(s)	FPIs registered as Category I Foreign Portfolio Investors under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	An FPI registered as a Category II Foreign Portfolio Investor under the SEBI FPI Regulations
Category III Foreign Portfolio Investor(s)	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CGST	Central GST
COPRA	The Consumer Protection Act, 1986
Companies Act	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Companies Act 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
Contract Act	The Indian Contract Act, 1872
CSR	Corporate Social Responsibility
Depositories Act	The Depositories Act, 1996
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant
DP ID	Depository Participant’s identity number
DTC	Direct Tax Code, 2013
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
Electricity Act	The Electricity Act, 2003
Environment Protection Act	The Environment (Protection) Act, 1986
EPA	The Environment Protection Act, 1986

<b>Term</b>	<b>Description</b>
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
e-RUPI	Prime Minister Narendra Modi launched a contactless, prepaid, electronic prepaid system
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations there under
FEMA 2000	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000
FII(s)	Foreign Institutional Investors as defined under SEBI FPI Regulations
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor or FPIs	A foreign portfolio investor, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI / Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	The Central Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IE Act	The Indian Easements Act, 1882
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated GST
IT Act	Income Tax Act, 1961
Indian GAAP	Generally Accepted Accounting Principles in India
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
ISIN	International Securities Identification Number
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
M. A	Master of Arts
M.B.A	Master of Business Administration
MCA	The Ministry of Corporate Affairs, GoI
M.Com	Master of Commerce
MCI	Ministry of Commerce and Industry, GoI
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
MWA	Minimum Wages Act, 1948
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NI Act	The Negotiable Instruments Act, 1881
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect

<b>Term</b>	<b>Description</b>
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRI	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PAT	Profit after Tax
PIL	Public Interest Litigation
POB Act	Payment of Bonus Act, 1965
PPP	Public Private Partnership
Public Liability Act / PLI Act	The Public Liability Insurance Act, 1991
Pvt. / (P)	Private
PWD	Public Works Department of state governments
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
RoC or Registrar of Companies	The Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI (ICDR) Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
Sec.	Section
SGST	State GST
SHWW / SHWW Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
TM Act	The Trademarks Act, 1999
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America

Term	Description
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923
Wilful Defaulter	A wilful defaulter, as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations, means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India

#### TECHNICAL / INDUSTRY RELATED TERMS

Term	Full Form
CAGR	Compounded Annual Growth Rate
DIPP	Department of Industrial Policy and Promotion
EMA	European Medicines Agency
FMCG	Fast Moving Consumer Goods
FSI	It is the ratio of the Internal Floor Area and Saleable Area.
GDP	Gross Domestic Product
GFC	Global financial Crises
IOA	Intimation of Approval
M&M	Mergers and Acquisitions
MNCs	Multi-National Companies
NCAER	National Council of Applied Economic Research
OTC	Over the Counter
PE	Private Equity
RMB	Renminbi- official currency of the People's Republic of China

#### ABBREVIATIONS

Abbreviation	Full Form
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
A/c	Account
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
Amt	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. A	Bachelor of Arts
BBA	Bachelor of Business Administration
B. Com	Bachelor of Commerce
B. E	Bachelor of Engineering
B. Sc	Bachelor of Science
B. Tech	Bachelor of Technology
Bn	Billion
BG / LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
BRLM	Book Running Lead Manager
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
BSE SENSEX	Sensex in an index; market indicator of the position of stock that is listed in the BSE
BSE SME	SME Platform of BSE Limited
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit



CCI	The Competition Commission of India
CFO	Chief Financial Officer
CGST	Central GST
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CS	Company Secretary
CSR	Corporate social responsibility.
CS & CO	Company Secretary & Compliance Officer
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CWA / ICWA	Cost and Works Accountant
CMD	Chairman and Managing Director
Depository Depositories	or NSDL and CDSL.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
DP	Depository Participant
DP ID	Depository Participant's Identification Number
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
ESIC	Employee's State Insurance Corporation
EPS	Earnings Per Share
EGM / EOGM	Extraordinary General Meeting
ESOP	Employee Stock Option Plan
EXIM / EXIM Policy	Export Import Policy
FCNR Account	Foreign Currency Non-Resident Account
FIPB	Foreign Investment Promotion Board
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FEMA	Foreign Exchange Management Act, 1999 as amended from time to time, and the regulations framed there under.
FCNR Account	Foreign Currency Non-Resident Account
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act, 1992.
FTA	Foreign Trade Agreement.
FVCI	Foreign Venture Capital Investors registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
FV	Face Value
GoI / Government	Government of India
GDP	Gross Domestic Product
GAAP	Generally Accepted Accounting Principles in India
GST	Goods and Service Tax
GVA	Gross Value Added
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICAI (Previously known as ICWAI)	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR / ₹ / Rupees / Rs.	Indian Rupees, the legal currency of the Republic of India
IIP	Index of Industrial Production
IPO	Initial Public Offer
ICSI	The Institute of Company Secretaries of India

IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
i.e	That is
I.T. Act	Income Tax Act, 1961, as amended from time to time
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
Indian GAAP	Generally Accepted Accounting Principles in India
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
Ltd.	Limited
MAT	Minimum Alternate Tax
MoF	Ministry of Finance, Government of India
M-o-M	Month-On-Month
MOU	Memorandum of Understanding
M. A	Master of Arts
M. B. A	Master of Business Administration
M. Com	Master of Commerce
Mn	Million
M. E	Master of Engineering
MRP	Maximum Retail Price
M. Tech	Masters of Technology
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
MSMEs	Micro, Small and medium Enterprises
MoA	Memorandum of Association
MRP	Maximum Retail Price
NA	Not Applicable
Networth	The aggregate of paid-up Share Capital and Share Premium account and Reserves and Surplus(Excluding revaluation reserves) as reduced by aggregate of Miscellaneous Expenditure(to the extent not written off) and debit balance of Profit & Loss Account
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI's	Non-Resident Indians
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSE	National Stock Exchange of India Limited
NOC	No Objection Certificate
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
P.A.	Per Annum
PF	Provident Fund
PG	Post Graduate
PAC	Persons Acting in Concert
P / E Ratio	Price / Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
RBI	The Reserve Bank of India
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time

SCSB	Self-Certified Syndicate Banks
SEBI	Securities and Exchange Board of India
SICA	Sick Industrial Companies (Special provisions) Act, 1985, as amended from time to time
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
US / United States	United States of America
UPI	Unified Payments Interface as a payment mechanism through National Payments Corporation of India with Application Supported by Block Amount for applications in public issues by retail individual investors through SCSBs
USD / US\$ / \$	United States Dollar, the official currency of the Unites States of America
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.
VAT	Value Added Tax
w.e.f.	With effect from
YoY	Year over Year

The words and expressions used but not defined in this Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “*Statement of Special Tax Benefits*”, “*Industry Overview*”, “*Regulations and Policies in India*”, “*Financial Information of the Company*”, “*Outstanding Litigations and Material Developments*” and “*Issue Procedure*”, will have the meaning ascribed to such terms in these respective sections.

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

In this Red Herring Prospectus, the terms “**Innokaiz India Limited**”, “**Innokaiz**”, or “**Our Company**” or “**the Issuer**” “**we**”, “**us**”, “**our**”, and the “**Company**”, unless the context otherwise indicates or implies, refers to Innokaiz India Limited.

### **CERTAIN CONVENTION**

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

### **FINANCIAL DATA**

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our Audited Restated Financial Statements for the stub period ended on October 31, 2022 and the financial years ended on March 31, 2022; 2021 and 2020; prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI and the Indian GAAP which are included in this Red Herring Prospectus, and set out in “*Financial Statements as Restated*” on page 152 of this Red Herring Prospectus.

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

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

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

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled ‘*Financial Statements as Restated*’ beginning on page 152 of this Red Herring Prospectus.

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

In this Red Herring Prospectus, unless the context otherwise requires, all references to

- (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India;
- (b) ‘US Dollars’ or ‘US \$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America.

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

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



## DEFINITIONS

For definitions, please see the Chapter titled “*Definitions and Abbreviations*” on page no. 3 of this Red Herring Prospectus. In the Section titled “*Main Provisions of Articles of Association*” beginning on page no. 235 of this Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

## INDUSTRY AND MARKET DATA

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

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

In accordance with the SEBI (ICDR) Regulations, “*Basis for Issue Price*” on page no. 83 of this Red Herring Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the BRLM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” on page no. 28 of this Red Herring Prospectus.

## **FORWARD LOOKING STATEMENTS**

All statements contained in this Red Herring Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Red Herring Prospectus regarding matters that are not historical facts. 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 our Sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Performance of the Marketing communication and e-commerce market in India, generally
- Impact of the COVID-19 pandemic on our business and operations;
- Geographical concentration of business to key cities
- Significant increases in prices of, or shortages of, or disruption in supply of labour and key building materials;
- Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
- Our ability to attract, retain and manage qualified personnel;
- Dependencies on our development partners to fulfil their obligations under the respective joint development agreements;
- General economic and business conditions in India and other countries;
- Effect of lack of infrastructure facilities on our business;
- Our ability to successfully implement our growth strategy and expansion plans, technological changes;
- Changes in fiscal, economic or political conditions in India;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Any adverse outcome in the legal proceedings in which we are involved;
- The occurrence of natural disasters or calamities;
- Failure to adapt to the changing scenarios in our industry of operation may adversely affect our business and financial condition;

- Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
- Conflict of Interest with group companies, the promoter group and other related parties
- Changes in the value of the Rupee and other currencies;
- 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 see the section titled “**Risk Factors**”, chapters titled “**Our Business**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” beginning on pages 28, 104 and 153 of this Red Herring Prospectus, respectively.

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

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

### **OVERVIEW OF INDUSTRY**

#### **ADVERTISING AND MARKETING INDUSTRY IN INDIA**

##### **Introduction**

The chances of achieving objectives and goals are greater when a company has an effective marketing strategy in place. Though there is always room for traditional strategies such as targeting the audience through television or radio, the modern consumer is progressively using other methods (the Internet, mobile phones, etc.) to access information. Here, social media marketing is vital, especially in a country like India which is one of the youngest in the world demographically and has a growing broadband market. It is not far-fetched to suggest that marketing strategies are the blood line of any business and that a company's long-term goals are dependent on their efficacy.

##### **Marketing Industry Dynamics**

Marketers in India typically utilize television, print and the Internet for marketing their offerings. Some key figures related to these sub-segments are given below: The Indian media and entertainment (M&E) industry grew from Rs 728 billion (US\$ 11.74 billion) in 2011 to Rs 820 billion (US\$ 13.22 billion) in 2012, a growth of 12.6 per cent. Total advertising expenditure (Addax) across the media sector stood at Rs 327.4 billion (US\$ 5.28 billion) in 2012, while advertising revenues grew by 9 per cent. Print continued to dominate, accounting for 46 per cent of the advertising revenue at Rs 150 billion (US\$ 2.42 billion). Television led in the M&E industry while new media segments (like animation/VFX) and Films and Music segments also recorded discernible growth. Radio is projected to record a compounded annual growth rate (CAGR) of 16.6 per cent in the period 2012–17, post the roll out of Phase 3 licensing. The Indian M&E industry is expected to grow 11.8 per cent to garner revenues worth Rs 91,700 crore (US\$ 14.79 billion) in 2013, according to an industry report. Traditional media such as television, print and radio continue to dominate. However, other segments such as animation, visual effects, films and music are quickly gaining acceptance due to their content and the advantages of digitization. Conventional media such as television and newspapers remain the masses' preferred source for information and entertainment; they account for over four-fifths of the advertising revenue. However, the Internet has gradually been increasing its share in the advertising pie. Spends on digital media hovered just above 1 per cent of the total advertising expenditure in 2005; in 2012, it stood at a respectable 7 per cent.

Search advertising catered for about 38 per cent (Rs 850 crore [US\$ 137.14 million]) of the total online advertising spend while display advertising formed a significant 29 per cent (Rs 662 crore [US\$ 106.86 million]) by March 2013, according to the findings of 'Digital Advertising in India' report conducted by the Internet and Mobile Association of India (IAMAI) and IMRB International. Advertisements on mobile phones and tablets have increased from a 7 per cent share in FY 2011-12 to 10 per cent of the online advertisement market in FY 2012–13, which amounts to expenditure of around Rs 230 crore (US\$ 37.17 million). Social media, email and video advertising comprise 13 per cent, 3 per cent and 7 per cent of the online advertising market, respectively.

##### **Social Media as a Strategy**

Social media is increasingly being used by companies, big or small, to reach out to potential consumers. The advantage of social media is that a business can interact with its customer in a closer, peer-to-peer manner, something that is not always possible with non-digital marketing. Social media is a unique instrument of communication that facilitates interaction not just between two entities (the company and the consumer) but between multiple parties (i.e., the company, its clients, stakeholders, employees, etc.). With social media, companies can create, sustain and leverage connections and strengthen their position in the market.

Multinational American Express is an example of a company which is active in both B2C and B2B spaces. It has established conversational platforms, both independent (Open Forum) and mainstream social media (Amex on Facebook), in an effort to improve communications with small businesses and potential investors. American Express regularly updates its website with news pertinent to its audience (e.g., facts and trends about small businesses), often posting challenging questions aimed at involving them in discussions as well as facilitating meaningful interactions between small businesses. This way, the multinational has successfully established itself as a hotbed of information exchange within the industry.

### **OVERVIEW OF BUSINESS**

We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc. Recently, we

have also ventured into new business vertical i.e., E-Commerce Business. Our team of experienced and dedicated professionals provide services and solutions that are at the forefront of industry best practice. We thrive to provide the highest level of services on every assignment and to provide best-in-class and cost-effective services and solutions to our clients.

Our Company is promoted by Mr. Sukumar Balakrishnan, who is the guiding force behind all the strategic decisions of our Company and has been an anchor to our company since incorporation. He has a vast corporate and entrepreneurial experience and the frontline force behind the company. In addition to our individual Promoter, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe that the stability of our management team and the industry experience of our individual Promoter will enable us to continue to take advantage of future market opportunities and expand into newer markets.

Our Company was incorporated in the name of Innokaiz India Private Limited on January 11, 2013 and since inception we have successfully scaled up our capabilities and evolved as one stop solution for various corporate needs. Our exhaustive client list is the proof of our excellence in reliability of service and quality of products.

## E - Commerce

Ecommerce web development has turned out to be a necessity and is not just used for driving greater amount of traffic. Over the years, Innokaiz has gathered the experience to work on all online business requirements. We are one of the pioneered companies offering effective and effectual e-commerce solutions. Having great appreciation for web development and designing our talented and skilled experts update themselves from time to time with the latest trends and technologies. Our experts create customized e-commerce website for the promotion of your brand. We make sure that your business is able to gather traffic and retain them.

In 2022, the Indian e-commerce market is predicted to increase by 21.5%, reaching US\$ 74.8 billion. E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US\$ 188 billion by 2025 from US\$ 46.2 billion as of 2020. By 2030, it is expected to reach US\$ 350 billion. India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026. Much of the growth for the industry has been triggered by an increase in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' programme. Out of the total internet connections, ~55% of connections were in urban areas, of which 97% of connections were wireless.

After a difficult year due to the outbreak of the pandemic, there has been a v-shaped recovery in Indian businesses in 2021. As a result, the Indian advertising industry witnessed a recovery in ad spends to reach a market size of Rs. 70,715 crores at a growth of 18.6% compared to 2020. The industry is expected to reach Rs 93,119 crore by the end of 2023, growing at a CAGR of 14.75%, according to the latest report released by dentsu India.

## OUR PROMOTER

The Promoter of our company is Mr. Balakrishnan Sukumarbalakrishnan.

## DETAILS OF THE ISSUE

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of upto 27,13,600 Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●].
<b>Out of which:</b>	
<b>Market Maker Reservation Portion</b>	Upto 1,36,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●].
<b>Net Issue to the Public</b>	Upto 25,77,600 Equity Shares of ₹ 10.00 each for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakh.

## OBJECT OF THE ISSUE

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

Particulars	(₹ in Lakhs)
	Amount
Working Capital Requirements	Upto 1,400.00



General Corporate Purpose		●
<b>Total</b>		●

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

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
1. Promoter	73,59,775	98.00
2. Promoter Group	Nil	Nil

### SUMMARY OF RESTATED FINANCIAL INFORMATION

Particulars	For the stub period ended on	For the financial year ended on		
	October 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Share Capital	751.00	1.00	1.00	1.00
Reserves and surplus	1,702.00	1,841.72	1,050.09	540.93
Net Worth	2,453.00	1,842.72	1,051.09	541.93
Total Income	14,883.52	28,609.09	18,506.21	13,872.44
Profit after Tax	610.28	791.63	509.15	361.55
Total Borrowings	93.62	132.17	103.52	110.6
<b>Other Financial Information</b>				
Basic & Diluted EPS (₹) (Post Bonus)	8.13	10.54	6.78	4.81
Return on Net worth (%)	24.88%	42.96%	48.44%	66.71%
Net Asset Value Per Share (₹) (Pre-Bonus)	32.66	18,427.19	10,510.91	5,419.33
Net Asset Value Per Share (₹) (Post Bonus)	32.66	24.54	14.00	7.22

### QUALIFICATION OF THE AUDITORS

The Auditors' Report of Audited Restated Financial Statements for the stub period ended on October 31, 2022 and the Financial Years ended on March 31, 2022, 2021 and 2020 does not contain any qualification which have not been given effect to in Restated Financial Statements.

### SUMMARY OF OUTSTANDING LITIGATION ARE AS FOLLOWS

Nature of Cases	Number of Cases	Total amount involved (₹ in Lakhs)	
<i>(₹ in Lakhs)</i>			
<b>Proceedings involving the Company</b>			
Statutory / Regulatory authorities	Nil		Nil
Taxation	10		6.9*
Others – against our Company	Nil		Nil
Others – by our Company	Nil		Nil
<b>Proceedings involving Directors#</b>			
Statutory / Regulatory authorities	Nil		Nil
Taxation	10		0.7*
Others – against our Directors	01		NA*
Others – by our Directors	Nil		Nil
<b>Proceedings involving Promoter</b>			
Statutory / Regulatory authorities	Nil		Nil
Taxation	10		0.7*
Others- against our Promoter	01		NA*
Others – by our Promoter	Nil		Nil
<b>Proceedings involving Group Companies</b>			
Statutory / Regulatory authorities	Nil		Nil
Taxation	04		0.75*
Others- against our Group Company	Nil		Nil
Others – by our Group Company	Nil		Nil

\*Amounts involved in certain cases are unquantifiable.

# Directors excluding Promoter

For the details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 166 of this Red Herring Prospectus.

## RISK FACTORS

Investors should read chapter titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES

Except as stated below, our Company does not have any Contingent Liabilities as on date of this Red Herring Prospectus:  
(₹ in Lakhs)

Sr. No.	Particulars Amount	Particulars Amount
1	Income Tax demands / Notices before CIT Appeals / TDS	4.57
2	Bank Guarantees / Corporate Guarantees	Nil
	<b>Total</b>	<b>4.57</b>

For further information, please see “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

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

(₹ in Lakh)

Particulars	For the stub period ended on	For the financial year ended on		
	October 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Remuneration	45.28	80.53	64.20	40.00
Deposits Given	-	189.80	180.02	133.83
Deposit Given Received Back	2.00	143.84	158.04	184.85
<b>Total</b>	<b>47.28</b>	<b>414.17</b>	<b>402.26</b>	<b>358.68</b>

For details of the Related Party Transactions as reported in the Restated Financials, please refer “*Financial Statements as restated– Related Party Transaction*” beginning on page 152 of this Red Herring Prospectus.

## FINANCING ARRANGEMENTS

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

## WEIGHTED AVERAGE PRICE OF THE EQUITY SHARES ACQUIRED BY OUR PROMOTER IN THE LAST ONE YEAR PRECEDING THE DATE OF THIS RED HERRING PROSPECTUS

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

Name of the Promoter	Weighted Average Price (₹)
Mr. Balakrishnan Sukumarbalakrishnan.	NIL

Our promoter has acquired Equity Shares in the last one (1) year preceding the date of this Red Herring Prospectus, under the bonus issue, thus the weighted average price of equity share is NIL

## AVERAGE COST OF ACQUISITION

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

Name of the Promoter	Average Cost of Acquisition (₹)
Mr. Balakrishnan Sukumarbalakrishnan.	0.01

## PRE-IPO PLACEMENT DETAILS

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

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

Other than as disclosed in “*Capital Structure*” beginning on page 61 of this Red Herring Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Red Herring Prospectus.

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

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

## SEBI EXEMPTION

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

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 104 “Our Industry” beginning on page 89 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 153 respectively, of this Red Herring 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 Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 3 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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

#### **INTERNAL RISKS**

##### **BUSINESS RELATED RISK**

1. *There were Search conducted at our offices by Income Tax Authorities and Directorate General of GST Intelligence.*

On November 30, 2022 a search was conducted on the premises of our offices by Income Tax Department officials. The same matter is pending before the Income Tax Authorities. Also, a show caused notice was issued by Directorate General of GST Intelligence and a search was conducted on October 06, 2021 & October 07, 2021. Where the department had an opinion of having irregularities for availment of Input Tax credit by Innokaiz India Limited, our company had made payment of the amount 50.00 Lakh towards the said matter but the case is yet to be concluded and it may draw financial penalty as well. There can be no assurance that any of these matters will be settled in our favour or in favour of our Company, our Directors, our Promoter or our Group Companies or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have a material adverse effect on the Company, our Directors our Promoter and / or our Group Companies, as well as on our business, prospects, financial condition and results of operations and that of the Group Companies of our Promoter.

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

There are 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. For the details of the cases please refer the chapter titled “***Outstanding Litigations and Material Developments***” beginning on page no. 166 of this Red Herring Prospectus.

The following table sets out brief details of such outstanding proceedings:

Nature of Cases	Number of Cases	Total amount involved (₹ in Lakhs)
<b>Proceedings involving the Company</b>		
Statutory / Regulatory authorities	Nil	Nil
Taxation	10	6.9*
Others – against our Company	Nil	Nil
Others – by our Company	Nil	Nil
<b>Proceedings involving Directors#</b>		
Statutory / Regulatory authorities	Nil	Nil
Taxation	10	0.7*
Others – against our Directors	01	NA*
Others – by our Directors	Nil	Nil
<b>Proceedings involving Promoter</b>		
Statutory / Regulatory authorities	Nil	Nil
Taxation	10	0.7*
Others- against our Promoter	01	NA*
Others – by our Promoter	Nil	Nil
<b>Proceedings involving Group Companies</b>		
Statutory / Regulatory authorities	Nil	Nil
Taxation	04	0.75*
Others- against our Group Company	Nil	Nil
Others – by our Group Company	Nil	Nil

\*Amounts involved in certain cases are unquantifiable.

# Directors excluding Promoter

One of the outstanding demand amounting to ₹ 0.62 Lakhs involving the Company in taxation matter is currently not reflecting on the income tax portal due to some technical glitch. The amount is not paid by the Company; hence it is added in the “***Outstanding Litigation and Material Developments***” chapter on page no 166 of this Red Herring Prospectus.

There can be no assurance that any of these matters will be settled in our favour or in favour of our Company, our Directors, our Promoter or our Group Companies or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have a material adverse effect on the Company, our Directors our Promoter and/or our Group Companies, as well as on our business, prospects, financial condition and results of operations and that of the Group Companies of our Promoter.

For further details, please see the section “***Outstanding Litigation and Material Developments***” beginning on page No. 166 of this Red Herring Prospectus.

3. ***There is a litigation against our Company and the managing director Sukumar Balakrishnan u/s 406, 420 of Indian Penal Code, 1860. Currently the matter is notified for hearing. If the final order is decided against us, it may lead to a financial loss and criminal liability to us***

A First Information Report (FIR) bearing no. 33/2020 has been filed against Ujjwal Bajaj, his uncle Sanjay Bajaj and the company Innokaiz India Private Limited u/s 406, 420 of IPC on 10-02-2020 in Jagatpuri Police station District Shahadra Delhi, by Renuka Garg who is the director of Mixtress Venture Private Limited. A petition was filed under section 482 Cr.P.C. for quashing of the FIR. No. 33 / 2020 u/s 406/420 IPC, p.s. Jagatpuri, Delhi and proceedings bearing CR.No 4624/2020 pending before the court of mm-05 Bharat Aggrwal kkd. Courts Delhi. As per order dated 15.09.22, status report in response is to be submitted by the State before the next date of hearing. The case has been re-notified for hearing subsequently and will now be heard on August 02, 2023.



Therefore, there is still a risk at the stage of framing of charges and at the stage of final orders post investigation and completion of judicial processes that our Company and Directors may be found guilty. In such eventuality, criminal charges against us may be alleged and our business may get materially and adversely affected. Since, as per the Companies Act, 2013, a person can be disqualified from being appointed or continuing as a director of a company if they are convicted of an offense involving moral turpitude and sentenced to imprisonment for a period of six months or more.

For further details, please see the section “Outstanding Litigation and Material Developments” beginning on page No. 166 of this Red Herring Prospectus.

**4. *We have not entered into any long-term contracts with any of our clients.***

We do not have any long-term contracts with our clients and any change in the business pattern of our existing clients could adversely affect the business of our Company. As a result, our customers can terminate their relationships with us due to a change in preference or any other reason on immediate basis, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products and services. Our Company’s customers have no obligation to work with us and may either cancel, reduce, or delay the business. The business by our Company’s customers is dependent on factors such as the customer satisfaction with the level of service that our Company provides, fluctuation in demand for our Company’s products, customer’s inventory management, amongst others. Although we have satisfactory business relations with our clients and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability. Although, we have a strong emphasis on quality, timely delivery of our products and raw materials and personal interaction by the senior management with the customers and suppliers, any change in the buying pattern of buyers and preferences of suppliers can adversely affect the business and the profitability of our Company.

**5. *Our Registered Office from where we operate are not owned by us.***

Our Registered Office premise situated at Door No 43, Old No 22, Real Enclave, Flat No 1, 4<sup>th</sup> Floor, Josier Street, Nungambakkam, Chennai – 600034, Tamil Nadu, India and is not owned by us, it is taken on sublease and rental basis since Incorporation from an enterprise which is a proprietor firm of our promoter. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable / favourable terms in future. If we are required to vacate the current premises, we would be required to make alternative arrangements for new office and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable / favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**6. *Our business is geographically located in one area, Tamil Nadu. Any loss or shutdown of operations at any of our facilities may have an adverse effect on our business and results of operations.***

Majority of our business is based out from Tamil Nadu. This concentration of our business one region, subjects us to various risks, including but not limited to the following risks:

- Regional natural disasters;
- Vulnerability to change of policies, laws and regulations or the political and economic environment of Southern Western Indian and mainly Chennai;
- Constraints on our ability to diversify across states;
- Perception by our potential clients, that we are a regional advertising and marketing company, which hampers us from competing against other large companies at a national level.

Further, any political disruptions, natural calamities or civil disruptions, opposition and protests, particularly in locations where we operate, could adversely affect our business operations or strategy. There is no assurance that such disruption in business operations would not bring any hindrance in the functioning of our operations. Consequently, our business, results of operations, cash flows and financial condition have been and will continue to be heavily dependent on the performance of, and the prevailing conditions affecting the advertising and marketing industry and overall economy in Tamil Nadu.

- 7. Advertising business is dependent on availability of space or sites for publishing of ads or displaying the hoardings with the media agency. Any significant increase in the prices of such ad space or sites or non-availability of such ad space or sites may adversely affect our business and results of operations.**

Our main requirement for advertisement in the print media, electronic media and outdoor media is dependent on the availability of ad space in that particular media such as availability of particular space in newspapers or spot time in broadcasting radio stations or availability of space at particular hoarding sites on which client wants to publish / display the advertisements. We procure these spots, spaces or sites on rents / lease from respective publication houses, radio stations and agencies, whenever there is a requirement. As on date of Red Herring Prospectus, we do not have any long term tie up or have not entered into any agreements with any such agencies. Any non-availability of these space / sites for whatever reason, could adversely affect our sales and profitability. Further, any price volatility of these space / sites and our inability to adjust to the same could adversely affect results of our operations and profitability.

- 8. We may be unable to respond to changes in consumer demands and market trends in a timely manner.**

Our success depends on our ability to identify, originate and define product and market trends, as well as to anticipate, gauge and react to rapidly changing consumer demands in a timely manner. Our advertising and marketing strategies must also appeal to a broad range of customers whose preferences may vary. We cannot assure you that the demand for our services with end-consumers will continue to grow or that we will be able to continue to develop appealing styles or meet rapidly changing consumer demands in the future. If we misjudge the market or fail to anticipate a shift in consumer preferences, we may be faced with a reduction in revenues. Any inability to respond to changes in consumer demands and market trends in a timely manner could have a material adverse effect on our business, financial condition and results of operations.

- 9. We could become liable to customers, suffer adverse publicity and incur substantial costs as a result of defects in our services, which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity.**

Any failure or defect in our services could result in a claim against us for damages, regardless of our responsibility for such a failure or defect. Although we attempt to maintain quality standards, we cannot assure that all our services would be of uniform quality, meet the customer standards which in turn could adversely affect the value of our brand, and our sales could be diminished if we are associated with negative publicity. Also, our business is dependent on the trust our customers have in the quality of our services. Any negative publicity regarding our company, brand, or services or any other unforeseen events could affect our reputation and our results from operations.

- 10. Our Promoter plays a key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our promoter remain associated with us.**

We benefit from our relationship with our Promoter and our success depends upon the continuing services of our Promoter who have been responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business. Our Promoter have been actively involved in the day-to-day operations and management. Accordingly, our performance is heavily dependent upon the services of our Promoter. If our Promoter are unable or unwilling to continue in his present position, we may not be able to replace them easily or at all. Our Promoter, have over the years-built relations with various customers and other persons who are form part of our stakeholders and are connected with us. The loss of their services could impair our ability to implement our strategy, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

- 11. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be obtained by our Issuer Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.**

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Non-obtaining or non-renewal of the said permits and licenses would adversely affect our Company's operations, thereby having a material adverse effect on our business, results of operations and financial condition. For example, we are yet to apply for Professional Tax Registration and Shops and Establishment for our Company. Further we require to keep already obtained valid key approvals such as Tax Registrations, Labour related approvals, for running our operations in a smooth manner. There can be no assurance that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the

interruption of our operations and may have a material adverse effect on the business. For further details, please see chapters titled “**Key Industry Regulations and Policies**” and “**Government and Other Statutory Approvals**” at pages 115 and 175 respectively of this Red Herring Prospectus.

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

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained all permits and licenses which are adequate to run our business, we cannot assure that there is no other statutory / regulatory requirement which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business. For further details, see section on “Government and Other Approvals” beginning on page 175 of the Red Herring Prospectus.

***13. Our inability to obtain no objections from our lenders for the Issue, in a timely manner or at all could adversely affect raising of funds.***

Our Company is required to obtain prior no objections from lender banks and Institution pursuant to restrictive covenants contained in the loan documents. Our Company have made application for no-objection / consents from the all the lenders and has yet to obtained their consent. Our inability to obtain such no objection certificate in a timely manner or at all, may adversely affect timely raising of funds.

***14. Our business is subject to seasonal and other fluctuations that may affect our cash flows and business operations.***

Our business and operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our projects and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects and cause severe damages to our premises and equipment. This may result in delays in execution of projects and also reduce our productivity. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. Adverse seasonal developments may also require the lockdown of personnel, suspension or curtailment of operations, resulting in damage to construction sites or delays in the delivery of materials.

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

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

cash flows and financial condition. To the extent that the COVID19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

**16. *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, 1956 / 2013. Any penalty or action taken by any regulatory authority 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:

- Provisions of SS-1 and SS-2 of the Companies Act, 2013 were generally complied by the company at the time of preparation of the documents for filing of forms. Further, the Company is complying with the said regulation post identification of the same.
- Some Provisions of Section 12 of the Companies Act, 2013. Further, the Company is complying with the said regulation post identification of the same.
- Some attachment which was to be attached in the forms filed are not attached by the Company.
- Supporting documents attached in some of the Forms are not signed and stamped by the requisite authority. Further, the Company is complying with the said regulation post identification of the same.
- In 2013 the object clause of MOA was changed by passing ordinary resolution instead of special resolution, however there was no objection raised from the relevant authorities. Late filing of forms for which our company has paid additional fees.
- The Company filed some e-Forms late with ROC i.e. after its Due Date with additional fees.

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.

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

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

**18. *The company has conducted its annual general meeting for the financial year 2021-2022 after its due timeline.***

As per section 96 of Companies Act 2013, every company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, such annual general meeting shall be within a period of six months, from the date of closing of the financial year. In the financial year 2021-2022, the company conducted its annual general meeting on December 29, 2022. It was supposed to convene it on or before September 30, 2022. The said default under section 96 of Companies Act, 2013. There can be no assurance that the Registrar of Companies, Chennai, Tamil Nadu, or any other statutory authority will not take an adverse view and impose penalties on our Company in this regard.

**19. *Our Company has not utilized the CSR Amount for the financial year 2020-2021 in time and also hasn't filed the e-forms on time.***

The Company had not utilized the CSR Amount in the financial year 2020-21 within specified time frame, However, our Company has deposited the entire CSR amount of ₹ 9.62 Lakh for the F.Y. 2020-2021 before filing of this Red Herring Prospectus to specified funds as per Schedule VII & Section 135 of the Companies Act, 2013. Also, the company has

filled the e-forms named CSR-2 late for the financial year 2019-2020 and 2020-2021. To rectify the said default under section 135 of Companies Act, 2013, our company have filed applications for compounding before the Registrar of Companies, Chennai, Tamil Nadu, in relation to these non-compliances. There can be no assurance that the Registrar of Companies, Chennai, Tamil Nadu, or any other statutory authority will not take an adverse view and impose penalties on our Company in this regard.

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

Our industry is characterized by increasingly complex and integrated infrastructure and services, new and changing business models and rapid technological and regulatory changes. Our clients' needs and demands for our services evolve with these changes. Our future success will depend, in part, on our ability to respond to our clients' demands for new services, capabilities and technologies on a timely and cost-effective basis. We also need to adapt to technological advancements and keep pace with changing regulatory standards to address our clients' increasingly sophisticated requirements. Transitioning to these new technologies may be disruptive to our resources and the services we provide and may increase our reliance on third-party service providers. If we fail to adapt or keep pace with new technologies in a timely manner, provide customers with better services and user experience, or retain and attract skilled technology staff, it could harm our ability to compete, decrease the value of our services to our clients, and adversely affect our business and future growth.

***21. Any increase in interest rates would have an adverse effect on our results of operations and will expose our Company to interest rate risks.***

We are dependent upon the availability of equity, cash balances and debt financing to fund our operations and growth. Any fluctuations in interest rates may directly impact the interest costs of such loans and, in particular, any increase in interest rates could adversely affect our results of operations. Furthermore, our indebtedness means that a material portion of our expected cash flow may be required to be dedicated to the payment of interest on our indebtedness, thereby reducing the funds available to us for use in our general business operations. If interest rates increase, our interest payments will increase and our ability to obtain additional debt and non-fund-based facilities could be adversely affected with a concurrent adverse effect on our business, financial condition and results of operations. For further details, please refer chapter titled "Financial Indebtedness" beginning on page 165 of this Red Herring Prospectus.

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

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

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

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

***24. We face intense competition in our businesses, which may limit our growth and prospects. Our Company faces significant competition from other companies in Advertisement and marketing field.***

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



- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger customer bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

***25. Orders placed by customers may be delayed, modified or cancelled, 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 services, or executing it on a timely basis. Moreover, factors beyond our control or the control of our customers may postpone the delivery of such services or cause its cancellation. Due to the possibility of cancellations or changes in scope and schedule of delivery of such services, resulting from our customers discretion or problems we encounter in the delivery of such services 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 services 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 customers may default or otherwise fail to pay amounts owed.

***26. Further any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

In the ordinary course of business, we extend credit to our customers. Our results of operations and profitability depend on the credit worthiness of our customers. Certain of these customers may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition.

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

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

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

You should not rely on yearly comparisons of our results of operations as indicators of future performance. It is possible that in some future periods our results of operations may be below the expectations of public, market analysts and

investors. If we are unable to manage our growth it could have an adverse effect on our business, results of operations and financial condition.

**28. Our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised. Further, our management will have discretion in the application of the Net Proceeds, and there is no assurance that the Objects of the Issue will be achieved within the time frame expected or at all.**

We intend to use the Net Proceeds for the purposes described under “Objects of the Issue” on page 78. The Objects of the Issue include funding of working Capital Requirements of our company amounting Upto ₹ 1,400.00 Lakh, and general corporate purposes amounting to ₹ [●] Lakh. Our funding requirements and the deployment of the Net Proceeds are based on management estimates for which we have relied on internal assumptions and such assumptions have not been appraised by any independent agency. The Net Proceeds may be used to repay / prepay such term and / or working capital loans. While we believe that utilization of Net Proceeds for repayment of loans would help us to reduce our cost of debt and enable the utilization of our internal accruals for further investment in business growth and expansion, the repayment of loans will not result in the creation of any tangible assets for our Company. Given the nature of our business and due to various uncertainties involved, we may be unable to utilize the Net Proceeds within the time frame or as per the schedule of deployment that we currently estimate. In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and / or debt arrangements.

**29. Our Company has a negative cash flow in its Operating activities in Stub period ending on October 31, 2022, financing activities in Stub period ending on October 31, 2022 and financial year ending on March 31, 2021 and investing activities in the Stub period ending on October 31, 2022 and past 3 years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

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

Particulars	(₹ in lakh)			
	October 31, 2022	March 31, 2022	March 31, 2021	March 31, 2020
Net Cash from Operating Activities	(493.48)	258.97	93.19	678.83
Net Cash from Investing Activities	(25.73)	(118.61)	(309.11)	(0.20)
Net Cash from Financing Activities	(45.76)	12.48	(22.15)	110.51
Net Increase / (Decrease) in Cash & Cash Equivalents	(564.97)	152.85	(238.07)	789.14

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

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

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

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

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

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

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

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

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

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

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

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

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

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Issue Price as decided by the Company in consultation with the Book Running Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer chapter title "**Capital Structure**" beginning on page 61 of this Red Herring Prospectus.

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

Our Company has entered into various transactions with our Promoter and associate companies. While we believe that all such transactions are conducted on arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter "**Related Party Transactions**" beginning on page 152 of the Red Herring Prospectus.

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

Upon completion of the Issue, our Promoter will own 71.99 % of the Post-Issue Equity Share capital of the Company. As a result, the Promoter and Promoter Group will have the ability to exercise significant influence over all matters requiring shareholders' approval, including the election of directors and approval of significant corporate transactions. The Promoter and Promoter Group will also have an effective veto power with respect to any shareholder action or approval requiring a majority vote. Such concentration of ownership may also have the effect of delaying, preventing or deterring a change in control. For further details of Promoter' shareholding, please refer chapter titled "**Capital Structure**" beginning on Page No. 61 of this Red Herring Prospectus.

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

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

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

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

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

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

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

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

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

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

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

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

As on date, we have not made any alternate arrangements for meeting our capital requirements for the Objects of the Issue. We meet our working capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not yet identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue or any shortfall in the Issue Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer chapter titled “Objects of the Issue” on page 78 of this Red Herring Prospectus.

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

In an event any of the guarantors withdraws or terminates this guarantee, the lender for such facilities may ask for alternate guarantee / s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee / s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information, please see the chapter titled “Statement of Financial Indebtedness” beginning on page 165 of this Red Herring Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholder’s investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 151 of this Red Herring Prospectus.

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

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint venture across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal



development. While we are currently evaluating opportunities and negotiating with several potential partners, we have not entered into any definitive agreements. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration. Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realize the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

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

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

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

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

For further information, see the chapter titled "Statement of Financial Indebtedness" on page 165 of the Red Herring Prospectus.

***49. Certain Agreements / deeds may be in the previous name of the company.***

Our certain agreements and deeds may be in the name of the erstwhile name of the company i.e., Innokaiz India Private Limited. In case we fail to change the name in the agreements and deeds, it may cause adverse effect on Our company's business.

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

Our Key Management Personnel, Company Secretary is associated with the Company for a period of less than one year therefore they may not have been accustomed to the company affairs till date. For details of Key Management Personnel and their appointment, please refer to chapter "***Our Management***" beginning on page 125 of this Red Herring Prospectus.

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

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

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

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

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

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

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

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

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

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

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

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

**Issue Specific Risks:**

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

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges.

The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

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

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

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

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

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

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

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

The Issue price of our equity Shares has been determined by Book Built method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled "***Basis for Issue Price***" beginning on the page 83 of this Red Herring Prospectus.

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

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

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

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

**EXTERNAL RISKS**

**Industry Related Risks:**

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

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

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

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like us as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

**OTHER RISKS:**

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

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

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

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

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

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter “Financial Statements as Restated” beginning on page 152 the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

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

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

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

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

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

While facts and other statistics in this Red Herring Prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled “Our Industry” beginning on page 89 of this Red Herring Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

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

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing



volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

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

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

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

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

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

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

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

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



## SECTION IV: INTRODUCTION

### THE ISSUE

Present Issue in Terms of this Red Herring Prospectus

Particulars	No. of Equity Shares
Equity Shares Offered through Public Issue <sup>(1) (2)</sup>	Issue of upto 27,13,600 Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating to ₹ [●]
<b><i>Out Of Which:</i></b>	
Reserved for Market Maker	Upto 1,36,000 Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
Net Issue to the Public*	Upto 25,77,600 Equity Shares of face value of ₹ 10/- each fully paid of the Company for cash at price of ₹ [●] per Equity Share aggregating ₹ [●]
<b><i>Of which:</i></b>	
A. QIB Portion <sup>(3)(4)</sup>	Not more than 12,88,000 Equity Shares (not more than 50%) aggregating up to ₹ [●] lakhs
<b><i>Of which:</i></b>	
i) Anchor Investor Portion	Upto 7,72,800 Equity Shares aggregating up to ₹ [●] lakhs
ii) Net QIB Portion (Assuming Anchor Investor Portion is fully subscribed)	Upto 5,15,200 Equity Shares aggregating up to ₹ [●] lakhs
<b><i>Of which:</i></b>	
a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
b) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares aggregating up to ₹ [●] lakhs
B. Non-Retail Investors Portion	Not less than 3,87,200 Equity Shares aggregating up to ₹ [●] lakhs
C. Retail Investors Portion	Not less than 9,02,400 Equity Shares aggregating up to ₹ [●] lakhs
<b><i>Pre and Post Issue Share Capital of our Company:</i></b>	
Equity Shares outstanding prior to the Issue	75,10,000 Equity Shares
Equity Shares outstanding after the Issue	Upto 1,02,23,600 Equity Shares
Use of Issue Proceeds	For details, please refer chapter titled ' <b><i>Objects of the Issue</i></b> ' beginning on page no. 78 of this Red Herring Prospectus.

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

#### **Notes:**

- The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issue paid up equity share capital of our company are being offered to the public for subscription.
- The present Issue has been authorized pursuant to a resolution of our Board dated January 02, 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 January 04, 2023.
- The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e., not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to non-institutional bidders

- 4) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws. Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor.
  
- 5) Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please refer section titled “***Issue Procedure***” beginning on page 203 of this Draft Red Herring Prospectus.

**SUMMARY OF FINANCIAL STATEMENTS**

**INNOKAIZ INDIA LIMITED**  
**(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)**  
**CIN: U74900TN2013PLC089349**

**RESTATED STATEMENT OF ASSETS & LIABILITIES**

*(₹ in Lakhs)*

Particulars		As at 30.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>I.</b>	<b><u>EQUITY AND LIABILITIES</u></b>				
<b>1</b>	<b>Shareholders' Funds</b>				
	(a) Share Capital	751.00	1.00	1.00	1.00
	(b) Reserves and Surplus	1,702.00	1,841.72	1,050.09	540.35
<b>2</b>	<b>Non-Current liabilities</b>				
	(a) Long-term Borrowings	48.48	74.25	59.20	76.07
	(b) Deferred Tax Liabilities (Net)	-	-	-	-
	(c) Long-term Provisions	17.34	7.39	2.94	0.96
<b>3</b>	<b>Current Liabilities</b>				
	(a) Short-term Borrowings	45.14	57.92	44.32	34.53
	(b) Trade Payables				
	- Due to MSME Creditors				
	- Due to Other than MSME Creditors	1,468.09	1,808.48	1,476.47	813.26
	(c) Other current liabilities	456.11	863.10	989.99	719.05
	(d) Short-term Provisions	275.00	318.62	247.07	383.16
	<b>TOTAL</b>	<b>4,763.15</b>	<b>4,972.47</b>	<b>3,871.07</b>	<b>2,568.38</b>
<b>II</b>	<b><u>ASSETS</u></b>				
<b>1</b>	<b>Non-current Assets</b>				
	Property, Plant & Equipment &				
	(a) Intangible Assets				
	(i) Property, Plant & Equipment	43.12	54.37	42.90	17.07
	(ii) Capital Work-in-progress	-	-	-	-
	(iii) Intangible Assets	-	-	-	-
	(b) Deferred Tax Assets (Net)	10.00	6.72	3.16	2.18
	(c) Non-Current Investments	390.65	364.92	276.17	
<b>2</b>	<b>Current Assets</b>				
	(a) Trade Receivables	1,247.86	2,151.10	1,769.81	673.55
	(b) Cash and Cash Equivalents	244.09	809.06	656.21	894.28
	(c) Short Term Loans & Advances	1,957.27	664.67	462.69	593.64
	(d) Other Current Assets	870.15	921.63	660.13	387.66
	<b>TOTAL</b>	<b>4,763.15</b>	<b>4,972.47</b>	<b>3,871.07</b>	<b>2,568.38</b>

**INNOKAIZ INDIA LIMITED**  
**(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)**  
**CIN: U74900TN2013PLC089349**

**RESTATED STATEMENT OF PROFIT & LOSS**

(₹ in Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Revenue from operations	14,863.59	28,592.69	18,495.01	13,869.74
Other income	19.93	16.39	11.20	2.70
<b>Total Income</b>	<b>14,883.52</b>	<b>28,609.09</b>	<b>18,506.21</b>	<b>13,872.44</b>
<b><u>Expenses:</u></b>				
Cost of Operations	13,841.95	27,223.93	17,556.92	13,054.64
Employee Benefit Expenses	107.14	138.53	109.65	77.79
Finance Cost	7.21	16.17	15.07	0.09
Depreciation and Amortization Expenses	11.25	18.40	7.11	7.57
Other Expenses	76.99	130.47	117.86	235.98
<b>Total Expenses</b>	<b>14,044.54</b>	<b>27,527.49</b>	<b>17,806.61</b>	<b>13,376.06</b>
<b>Profit before Exceptional Items</b>	<b>838.98</b>	<b>1,081.60</b>	<b>699.60</b>	<b>496.38</b>
<b>Exceptional Items</b>				
CSR Expenses	17.48	15.35	9.62	3.04
Prior period item- Gratuity provision for earlier year	-	-	-	0.63
Prior period item- Depreciation for earlier years			-	3.68
<b>Profit/(Loss) before Tax</b>	<b>812.50</b>	<b>1,066.25</b>	<b>689.98</b>	<b>489.02</b>
<b>Tax Expenses:</b>				
Current Tax	214.50	278.18	181.81	129.66
Deferred Tax	(3.28)	(3.56)	(0.98)	(2.18)
<b>Profit/(Loss) for the year</b>	<b>610.28</b>	<b>791.63</b>	<b>509.15</b>	<b>361.55</b>
<b>Earnings per equity share:</b>				
Basic (in ₹)	8.13	10.54	6.78	4.81
Diluted (in ₹)	8.13	10.54	6.78	4.81

**INNOKAIZ INDIA LIMITED**  
**(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)**  
**CIN: U74900TN2013PLC089349**

**RESTATED CASH FLOW STATEMENT**

(₹ in Lakhs)

Particulars	For the period ended 31.10.2022	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax	821.50	1,066.25	689.98	489.02
Depreciation & Amortisation	11.25	18.40	7.11	11.25
Finance Cost	7.21	16.17	15.07	0.09
Gratuity Expenses	11.53	4.79	2.12	1.04
<b>Operating Profit before Working Capital Changes</b>	<b>851.49</b>	<b>1,105.60</b>	<b>714.27</b>	<b>501.40</b>
<b>Adjusted for:</b>				
Trade receivables	903.24	(381.29)	(1,096.26)	626.69
Short Term Loans & Advances	(1,292.61)	(201.98)	130.96	(270.58)
Other Current Assets	51.48	(261.51)	(272.47)	(384.66)
Trade Payable	(340.39)	332.01	663.21	209.87
Other Current Liabilities	(406.99)	(126.90)	270.94	478.61
Short term provision	(259.70)	(206.96)	(317.47)	(482.51)
<b>Cash generated/ (used in) from operating activities</b>	<b>(493.48)</b>	<b>258.97</b>	<b>93.19</b>	<b>678.83</b>
<b>Income tax paid/ refund</b>	-	-	-	-
<b>Net cash generated/ (used in) from operating activities</b>	<b>(493.48)</b>	<b>258.97</b>	<b>93.19</b>	<b>678.83</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Property, Plant & Equipment	-	(29.86)	(32.94)	(0.20)
Purchase of Non-Current Investments	(25.73)	(88.75)	(276.17)	
<b>Net Cash used in Investing Activities (B)</b>	<b>(25.73)</b>	<b>(118.61)</b>	<b>(309.11)</b>	<b>(0.20)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Net Proceeds from Short term borrowings	(12.78)	13.60	9.79	34.53
Net Proceeds from Long term borrowings	(25.77)	15.05	(16.87)	76.07
Finance Cost	(7.21)	(16.17)	(15.07)	(0.09)
<b>Net Cash used in Financing Activities(C)</b>	<b>(45.76)</b>	<b>12.48</b>	<b>(22.15)</b>	<b>110.51</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(564.97)</b>	<b>152.85</b>	<b>(238.07)</b>	<b>789.14</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>	<b>105.14</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>244.09</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>

**Note:-**

1. Components of Cash & Cash Equivalent

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
a. Balances with banks	243.75	808.30	656.00	893.42
b. Cash in hand (As certified by the management)	0.34	0.76	0.22	0.85
<b>Total</b>	<b>244.09</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>



## SECTION V: GENERAL INFORMATION

Our Company was originally incorporated on January 11, 2013 as a Private Limited Company as “Innokaiz India Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on August 26, 2022 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Innokaiz India Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 27, 2022 by the Registrar of Companies, Chennai. The Corporate Identification Number of our Company is U74900TN2013PLC089349.

For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 145 of this Red Herring Prospectus.

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	089349
<b>Corporate Identification Number</b>	U74900TN2013PLC089349
<b>Date of Incorporation as Private Limited Company</b>	January 11, 2013
<b>Date of Incorporation as Public Limited Company</b>	September 27, 2022
<b>Address of Registered Office</b>	Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India <b>Tel:</b> 044-28250545 <b>Email:</b> info@innokaiz.com <b>Website:</b> www.innokaizindia.com
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Chennai</b> Block No. 6, B Wing, 2 <sup>nd</sup> Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu, India. <b>Tel-</b> 044 - 2827 0071 <b>Fax-</b> 044 - 2823 4298 <b>Email:</b> roc.chennai@mca.gov.in <b>Website:</b> www.mca.gov.in
<b>Designated Stock Exchange</b>	<b>BSE Limited</b> <b>(SME Platform of BSE Limited)</b> P J Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra, India.
<b>Issue Programme</b>	Anchor Portion Issue Opens/Closes on: Thursday, April 27, 2023 Issue Opens on: Friday, April 28, 2023 Issue Closes on: Wednesday, May 03, 2023
<b>Chief Financial Officer</b>	<b>Ms. Balaraman Suganthi</b> Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India. <b>Tel:</b> 044-28250545 <b>Email:</b> cfo@innokaiz.com <b>Website:</b> www.innokaizindia.com
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Mamta Saini</b> Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India. <b>Tel:</b> 044-28250545 <b>Email:</b> cs@innokaiz.com <b>Website:</b> www.innokaizindia.com

## **OUR BOARD OF DIRECTORS**

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

<b>Name</b>	<b>Designation</b>	<b>Address</b>	<b>DIN</b>
Mr. Balakrishnan Sukumarbalakrishnan	Managing Director	No. 104/39, Jothi Ramalingam Street, New Kamaraj Nagar, Perambur, Chennai, Tamil Nadu, India-600011	06464374
Mr. Selvaraj Durairaj	Executive Director	97/87, Puchammal Street, New Washermenpet, Tondiarpet Chennai Tamil Nadu, India, 600081.	08181614

Name	Designation	Address	DIN
Mr. Kesavapathy	Non-Executive Director	39/104, Jothi Ramalingam Street New Kamaraj Nagar, Vysarpadi Chennai, Tamil Nadu, India, 600039	09623665
Ms. Sivagami R	Independent Director	61/82, Kasturibai Colony, A Block Kannigapuram, Perambur Barracks Chennai, Tamil Nadu, India, 600012	09725967
Mr. Ramamoorthy Kumaresan	Independent Director	No.29/16, Doss N <sup>ar</sup> 1st Street, Kanikapuram, Perambur Chennai, Tamil Nadu, India, 600012	09623655

For detailed profile of our Directors, refer “**Our Management**” on page 125 respectively of this Red Herring Prospectus.

## INVESTOR GRIEVANCES

**Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Book Running Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.**

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Book Running Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Book Running Lead Manager, who shall respond to the same.

All grievances relating to the Anchor Investors may be addressed to the Registrar to the Issue, giving full details such as name of the sole or first Applicant, Bid cum Application Form number, Applicants DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Applicant, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor. For all Issue related queries and for redressal of complaints, investors may also write to the BRLM.

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

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<p><b>GRETEX CORPORATE SERVICES LIMITED</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai- 400001, Maharashtra, India. <b>Tel No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128</p>	<p><b>BIGSHARE SERVICES PRIVATE LIMITED</b> S6-2, 6<sup>th</sup> Pinnacle Business Park, Mahakali Caves Road, next to Ahura Centre, Andheri East, Mumbai- 400093, Maharashtra, India <b>Tel. No.:</b> +91 – 22 – 6263 8200; <b>Fax No.:</b> +91 – 22 – 6263 8299 <b>Email:</b> ipo@bigshareonline.com <b>Investor Grievance Email:</b> <a href="mailto:investor@bigshareonline.com">mailto:investor@bigshareonline.com</a> ; <b>Website:</b> www.bigshareonline.com <b>Contact Person:</b> Mr. Swapnil Kate <b>SEBI Registration No.:</b> INR000001385 <b>CIN:</b> U99999MH1994PTC076534</p>
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<p><b>M/S. M. V. KINI LAW FIRM</b> Kini House, Near Citibank, D.N. Road, Fort, Mumbai- 400001, India <b>Tel No.:</b> +91 22 2261 2527 / 28 / 29 <b>Fax No.:</b> + 91 22 2261 2530 <b>Email:</b> vidisha@mvkini.com <b>Website:</b> www.mvkini.com</p>	<p><b>GUPTA AGARWAL &amp; ASSOCIATES</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3<sup>rd</sup> Floor, Room No. 3A, Kolkata – 700012, West Bengal, India <b>Tel No.:</b> +91-9836432639 <b>E-mail:</b> guptaagarwal.associate@gmail.com <b>Contact Person:</b> Mr. Jay Shanker Gupta</p>

<b>Contact Person:</b> Ms. Vidisha Krishnan	<b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306
<b>BANKER TO THE COMPANY</b>	<b>BANKERS TO THE ISSUE / SPONSOR BANK</b>
<b>ICICI BANK LIMITED</b> 110, Prakash Presidium, Utthamar Gandhi Salai, Nungambakkam High Road, Chennai- 600034 <b>Tel No.:</b> +91- 44 3345 5208 <b>Fax No.:</b> 44 3345 5208 <b>E-mail:</b> prasad.chari@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Prasad Chari	<b>ICICI BANK LIMITED</b> Capital Market Division, 5th Floor, HT Parkh Marg, Churchgate, Mumbai- 400020, Maharashtra, India <b>Tel:</b> 022 6805 2182 <b>Email:</b> sagar.welekar@icicibank.com / ipocmg@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Sagar Welekar <b>SEBI Registration No.:</b> INBI00000004
<b>SYNDICATE MEMBER</b>	
<b>GRETEX SHARE BROKING PRIVATE LIMITED</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400023, Maharashtra, India <b>Tel. No.:</b> +91-22-40025273 <b>Email:</b> sherwoodpvtltd@yahoo.co.in <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMEMM0617628062012	

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

Except as mentioned below, there has been no change in the auditors of our Company during the last 3 years:

Sr. No	Date of Change	From	To	Reason for Change
1.	July 13, 2022	<b>Elangovan &amp; Co</b> Chartered Accountants, Old No. 4, New No. 15, III RD Floor, Metro Homes, Dr, Ranga Road, Mylapore, Chennai- 600004, Tamil Nadu, India <b>Tel No.:</b> 0424-2216121 E-mail: sathish@elangovanco.com <b>Contact Person:</b> S. Sathish Kumar <b>Membership No.:</b> 226384 <b>Firm Registration No.:</b> 006990S	<b>Gupta Agarwal &amp; Associates</b> Chartered Accountants, Imax Lohia Square, 23, Gangadhar Babu Lane, 3 <sup>rd</sup> Floor, Room No. 3A, Kolkata – 700012, West Bengal, India <b>Tel No.:</b> +91 98364 32639 <b>E-mail:</b> guptaagarwal.associate@gmail.com <b>Contact Person:</b> Mr. Jay Shanker Gupta <b>Membership No.:</b> 059535 <b>Firm Registration No.:</b> 329001E <b>Peer Review No:</b> 013306	Pre-occupation with other assignments

#### SELF-CERTIFIED SYNDICATE BANKS

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

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs/ mobile applications whose name appears on the SEBI website [www.sebi.gov.in](http://www.sebi.gov.in) at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

#### SYNDICATE SCSB BRANCHES

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the

Syndicate is available on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time. For more information on such branches collecting Bid-cum-Application Forms from the Syndicate at Specified Locations, refer to the above-mentioned SEBI link.

#### **INVESTORS BANKS OR ISSUER BANKS FOR UPI**

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

#### **REGISTERED BROKERS**

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

#### **REGISTRAR AND SHARE TRANSFER AGENTS**

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

#### **COLLECTING DEPOSITORY PARTICIPANTS**

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

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

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

#### **CREDIT RATING**

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

#### **IPO GRADING**

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

#### **EXPERT OPINION**

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

Our Company has received written consent dated March 02, 2023 from Peer Review Auditor namely, M/s Gupta Agarwal & Associates, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus as an "expert" as defined under Section 2(38) of the Companies Act 2013 to the extent and in respect of its (i) examination report dated April 18, 2023 on our Restated Financial Information; and (ii) its report dated April 18, 2023 on the statement of Special Tax Benefits in this Red Herring Prospectus. Aforementioned consents have not been withdrawn as on the date of this Red Herring Prospectus.

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

#### **TRUSTEES**

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

## MONITORING AGENCY

Since the proceeds from the Fresh Issue does not exceed 10,000 lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

## APPRAISAL AGENCY

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

## FILING OF ISSUE DOCUMENT

The Red Herring Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India.

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

A copy of the Red Herring Prospectus/ Prospectus, along with the documents required to be filed under Section 26 and 32 of the Companies Act, 2013 will be filed to the RoC Office situated at Registrar of Company, Chennai at Block No. 6, B Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu, India.

## BOOK BUILDING PROCESS

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

- Our Company;
- The Book Running Lead Manager in this case being Gretex Corporate Services Limited,
- The Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with BSE Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue and;
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLM allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulations (the "Anchor Investor Portion"), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.



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

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

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (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. For details in this regards, specific attention is invited to the chapter titled “*Issue Procedure*” beginning on page 203 of the Red Herring Prospectus.

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

For further details on the method and procedure for Bidding, please see section entitled “*Issue Procedure*” on page 203 of this Red Herring Prospectus.

**Illustration of the Book Building and Price Discovery Process:** Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20.00 to ₹24.00 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Amount (₹)	Cumulative Quantity	Subscription
500	24.00	500	16.67%
1000	23.00	1500	50.00%
1500	22.00	3000	100.00%
2000	21.00	5000	166.67%
2500	20.00	7500	250.00%

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

#### **Steps to be taken by the Bidders for Bidding:**

- Check eligibility for making a Bid (see section titled “*Issue Procedure*” on page 203 of this Red Herring Prospectus);
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.

- Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims.
- Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form

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

<b>Event</b>	<b>Indicative Dates</b>
<b>Bid/ Issue Opening Date</b>	Friday, April 28, 2023
<b>Bid/ Issue Closing Date</b>	Wednesday, May 03, 2023
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or Before Monday, May 08, 2023
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account</b>	On or Before Tuesday, May 09, 2023
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or Before Wednesday, May 10, 2023
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or Before Thursday, May 11, 2023

*Our Company in consultation with the Book Running Lead Manager may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/ Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws. Bid Cum Application Forms and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Issue Closing Date, the Bid Cum Application Forms will be accepted only between 10.00 A.M. to 3.00 P.M. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Applicant on Bid/Issue Closing Date maybe extended in consultation with the BRLM, RTA and BSE SME taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid Cum Application Forms on the Bid/Issue Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Issue Closing Date and, in any case, not later than 3.00 P.M. (IST) on the Bid/ Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid Cum Application Forms are received on the Bid/Issue Closing Date, as is typically experienced in public Issue, some Bid Cum Application Forms may not get uploaded due to the lack of sufficient time. Such Bid Cum Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid Cum Application Forms due to faults in any software/hardware system or otherwise. In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail Individual Applicants can revise or withdraw their Bid Cum Application Forms prior to the Bid/Issue Closing Date. Allocation to Retail Individual Applicants, in this Issue will be on a proportionate basis. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid Cum Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs/ RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### **WITHDRAWAL OF THE ISSUE**

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## UNDERWRITING AGREEMENT

This Issue is 100% Underwritten. The Underwriting agreement is dated January 11, 2023. Pursuant to the terms of the Underwriting Agreement the obligations of the Underwriters are several and are subject to certain conditions specified therein.

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

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lakh)	% of the Total Issue Size Underwritten
<b>Gretex Corporate Services Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15 Homi Modi Street, Fort, Mumbai – 400001, Maharashtra, India. <b>Tel. No.:</b> +91 96532 49863 <b>Email:</b> info@gretexgroup.com <b>Website:</b> www.gretexcorporate.com <b>Contact Person:</b> Ms. Dimple Magharam Slun <b>SEBI Registration No.:</b> INM000012177 <b>CIN:</b> L74999MH2008PLC288128	Upto 25,77,600	[●]	94.99%
<b>Gretex Share Broking Private Limited</b> Office No. 13, 1st Floor, New Bansilal Building, Raja Bahadur Mansion, 9-15, Homi Modi Street, Fort, Mumbai – 400023, Maharashtra, India <b>Tel. No.:</b> +91-22-40025273 <b>Email:</b> sherwoodpvtltd@yahoo.co.in <b>Contact Person:</b> Mr. Alok Harlalka <b>SEBI Registration No:</b> INZ000166934 <b>Market Maker Registration No.:</b> SMEMM0617628062012	Upto 1,36,000	[●]	5.01%
<b>TOTAL</b>	<b>Upto 27,13,600</b>	[●]	<b>100.00%</b>

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

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

underwriting obligations as set out in the Underwriting Agreement, the Book Running Lead Manager shall fulfil the underwriting obligations in accordance with the provisions of the Underwriting Agreement.

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

Our Company has entered into Market Making Agreement dated January 11, 2023 with the Book Running Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

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

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

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

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

The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.

The minimum depth of the quote shall be ₹ 1.00 Lakhs. However, the investors with holdings of value less than ₹ 1.00 Lakhs shall be allowed to offer their holding to the Market Maker in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Shares of market maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Equity Shares would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.

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.

Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Gretex Share Broking Private Limited is acting as the sole Market Maker.

The shares of the Company will be traded in continuous trading session from the time and day the company gets listed at SME Platform of BSE Limited and Market Maker will remain present as per the guidelines mentioned under the BSE Limited and SEBI circulars.

There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker shall have the right to terminate said arrangement by giving a three-month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned Market Making Agreement prior to the completion of the compulsory Market Making Period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

SME Platform of BSE Limited will have all margins which are applicable on the BSE Limited Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.

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

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

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

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

Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Platform of BSE Limited.

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

- 1) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market maker(s) during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5 % of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5 % of the Issue Size)
Up to ₹ 20 Crores	25%	24%
₹ 20 to ₹ 50 Crores	20%	19%
₹ 50 to ₹ 80 Crores	15%	14%
Above ₹ 80 Crores	12%	11%

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

**On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.**



## SECTION VI: CAPITAL STRUCTURE

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

Sr. No.	Particulars	Amount	
		₹ in Lakh except share data	
		Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital <sup>(1)</sup></b>		
	1,10,00,000 Equity Shares of ₹ 10.00 each	1,100.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	75,10,000 Equity Shares of ₹ 10.00 each	751.00	-
<b>C.</b>	<b>Present Issue in terms of this Red Herring Prospectus <sup>(2)</sup></b>		
	Issue of Upto 27,13,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	271.36	[●]
	<b>Which comprises:</b>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	Upto 1,36,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	13.60	[●]
<b>E.</b>	<b>Net Issue to the Public</b>		
	Upto 25,77,600 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share (including premium of ₹ [●] per Equity Share)	257.76	[●]
	<b>Of which <sup>(3)</sup>:</b>		
	Atleast 9,02,400 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●].00 per Equity Share (including premium of ₹ [●].00 per Equity Share) will be available for allocation to Retail Individual Investors of up to ₹ 2.00 Lakh	90.24	[●]
	Atleast 12,88,000 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●].00 per Equity Share (including premium of ₹ [●].00 per Equity Share) will be available for allocation to Qualified Institutional Buyers of above ₹ 2.00 Lakhs	128.80	[●]
	3,87,200 Equity Shares of ₹ 10.00 each fully paid-up of our Company for cash at a price of ₹ [●].00 per Equity Share (including premium of ₹ [●].00 per Equity Share) will be available for allocation to Non-Institutional Investors of above ₹ 2.00 Lakhs	38.72	[●]
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	1,02,23,600 Equity Shares of ₹ 10.00 each	1,022.36	-
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]

<sup>(1)</sup>For details in relation to the changes in the authorised share capital of our Company, please refer to section titled “History and Certain Other Corporate Matters – Amendments to our Memorandum of Association” on page 145.

<sup>(2)</sup> The Issue has been authorized by a resolution of our Board of Directors through their meeting dated January 02, 2023 and by a special resolution of our Shareholders at Extraordinary General Meeting dated January 04, 2023.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Book

Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

## CLASS OF SHARES

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

## NOTES TO CAPITAL STRUCTURE

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

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

Date of allotment	Number of Equity Shares allotted	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)	Cumulative Securities Premium (₹)
Upon Incorporation January 11, 2013	1,000	100.00	100.00	Cash	Subscriber to the MOA (i)	1,000	1,00,000.00	NIL
March 24, 2022	10,000	10.00	N.A.	N.A.	Sub-Division	10,000	1,00,000.00	NIL
June 22, 2022	75,00,000	10.00	0.00	Other than Cash	Bonus Allotment (ii)	75,10,000	7,51,00,000.00	NIL

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

Sr. No	Names of Allottees	Number of Equity Shares*
1	Mr. Balakrishnan Sukumarbalakrishnan	9,000
2	Mr. S Surendran	500
3	Mr. S Srinivasan	500
	<b>Total</b>	<b>10,000</b>

\*The equity share capital was sub-divided from ₹ 100.00 to ₹ 10.00 at the Extra-Ordinary General Meeting of members of the Company held on March 24, 2022.

#### ii. Bonus Issue of 75,00,000 Equity Shares of Face Value of ₹ 10.00/- each fully paid allotted on June 22, 2022, in the ratio of 750:1 i.e., 750 (Seven Hundred and Fifty) Bonus Equity Shares for 1 (One) equity share held by the existing equity shareholders as on the record date

Sr. No.	Name	No. of Equity Shares
1	Mr. Balakrishnan Sukumarbalakrishnan	73,50,000
2	Mr. Selvaraj Durairaj	1,50,000
	<b>Total</b>	<b>75,00,000</b>

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

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

#### 3. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.

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

5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year

Our Company has not issued any Equity Shares at a price lower than the Issue Price during a period of one year preceding the date of this Red Herring Prospectus, except as disclosed below:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Reasons of Allotment	Benefits accrued to company	Allottees	No. of Shares Allotted
June 22, 2022	75,00,000	10.00	NIL	Bonus Issue of 75,00,000 Equity Shares of Face Value of ₹ 10.00 each fully paid in the ratio of 750:1	Capitalization of Reserves & Surplus*	Mr. Balakrishnan Sukumarbalakrishnan	73,50,000
						Mr. Selvaraj Durairaj	1,50,000
<b>Total</b>							<b>75,00,000</b>

\*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.

7. Our Shareholding Pattern

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

## I. Our Shareholding Pattern: -

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including convertible securities (X))	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
A	Promoter & Promoter Group	1	73,59,775	-	-	73,59,775	98.00	73,59,775	-	73,59,775	98.00	-	98.00	-	-	-	-	73,59,775
B	Public	6	1,50,225	-	-	1,50,225	2.00	1,50,225	-	1,50,225	2.00	-	2.00	-	-	-	-	1,50,225
C	Non Promoter Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>7</b>	<b>75,10,000</b>	-	-	<b>75,10,000</b>	<b>100.00</b>	<b>75,10,000</b>	-	<b>75,10,000</b>	<b>100.00</b>	-	<b>100.00</b>	-	-	-	-	<b>75,10,000</b>

As on date of this Red Herring Prospectus 1 Equity share holds 1 vote.

We have only one class of Equity Shares of face value of ₹ 10/- each.

Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the Website of the Stock Exchange before commencement of trading of such Equity Shares.

II. Shareholding pattern of the Promoter and Promoter Group

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)		
								Class-Equity	Class	Total									
1)	Indian																		
a	Individuals / Hindu undivided Family	1	73,59,775	-	-	73,59,775	98.00	73,59,775	-	73,59,775	98.00	-	73,59,775	-	-	-	-	-	73,59,775
	Mr. Balakrishnan Sukumarbalakrishnan	1	73,59,775	-	-	73,59,775	98.00	73,59,775	-	73,59,775	98.00	-	73,59,775	-	-	-	-	-	73,59,775
b	Central Government / State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>1</b>	<b>73,59,775</b>	<b>-</b>	<b>-</b>	<b>73,59,775</b>	<b>98.00</b>	<b>73,59,775</b>	<b>-</b>	<b>74,30,480</b>	<b>98.00</b>	<b>-</b>	<b>73,59,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,59,775</b>
2)	Foreign																		
a	Individuals (Non – Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
b	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
e	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights					No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)		
								Class-Equity	Class	Total								Total as a % of (A+B+C)
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)</b>	<b>1</b>	<b>73,59,775</b>	<b>-</b>	<b>-</b>	<b>73,59,775</b>	<b>98.00</b>	<b>73,59,775</b>	<b>-</b>	<b>74,30,480</b>	<b>98.00</b>	<b>-</b>	<b>73,59,775</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>73,59,775</b>

\*As on date of this Red Herring Prospectus 1 Equity share holds 1 vote.

## III. Shareholding pattern of the public shareholder

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

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
i	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2)	Central Government / State Government(s) / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3-	Non institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
a	Individuals																	
	i. Individual shareholders holding nominal share capital up to ₹ 2 lakhs.	5	25	-	-	25	0.00	25	-	25	0.00	-	0.00	-	-	-	-	25
	Mr. Vishwanathan Hariharan	1	5	-	-	5	0.00	5	-	5	0.00	-	0.00	-	-	-	-	5

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class-Equity	Class	Total								
	Ms. Vishwanathan Revathi	1	5	-	-	5	0.00	5	-	5	0.00	-	0.00	-	-	-	-	5
	Mr. Kesavapathy	1	5	-	-	5	0.00	5	-	5	0.00	-	0.00	-	-	-	-	5
	Ms. Saraswathy Sanjuktha	1	5	-	-	5	0.00	5	-	5	0.00	-	0.00	-	-	-	-	5
	Ms. Saraswathy Sanyuktha	1	5	-	-	5	0.00	5	-	5	0.00	-	0.00	-	-	-	-	5
	ii. Individual shareholders holding nominal share capital in excess of ₹ 2 lakhs.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Mr. Selvaraj Durairaj	1	1,50,200	-	-	1,50,200	2.00	1,50,200	-	1,50,200	0.00	-	2.00	-	-	-	-	1,50,200
b	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
c	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
d	Overseas Depositories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V) + (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								Class-Equity	No of Voting Rights		Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)		
									Class	Total									
	(Holding DRs) (Balancing figure)																		
e	Any Other Body Corporate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (B)(3)</b>	<b>6</b>	<b>1,50,225</b>	<b>-</b>	<b>-</b>	<b>1,50,225</b>	<b>2.00</b>	<b>1,50,225</b>	<b>-</b>	<b>1,50,225</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,50,225</b>
	<b>Total Public Shareholding (B)= (B)(1) + (B)(2) + (B)(3)</b>	<b>6</b>	<b>1,50,225</b>	<b>-</b>	<b>-</b>	<b>1,50,225</b>	<b>2.00</b>	<b>1,50,225</b>	<b>-</b>	<b>1,50,225</b>	<b>2.00</b>	<b>-</b>	<b>2.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,50,225</b>



## IV. Shareholding pattern of the Non-Promoter- Non-Public shareholder

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XD)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)	
								No of Voting Rights			Total as a % of (A+B+C)			No (a)	As a % of total Shares held (b)	No (a)	As a % of total Shares held (b)		
								Class-Equity	Class	Total									
1)	Custodian / DR Holder																		
	Name of Holder (if available)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (c) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2)	Employee Benefit Trust under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	Total Non - Promoter Non-Public shareholding (C ) = (C ) (1) + (C ) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

b) Equity Shareholding of Directors, Key Managerial Personnel and Senior Management in our Company:

Except as stated below, none of our Directors or Key Managerial Personnel or Senior Management hold any Equity Shares in our Company:

Sr. No.	Name of Shareholder	No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
1	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00	73,59,775	71.99
2	Mr. Selvaraj Durairaj	1,50,200	2.00	1,50,200	1.47
3	Mr. Kesavapathy	5	0.00	5	0.00
	<b>Total</b>	<b>75,09,980</b>	<b>100.00</b>	<b>75,09,980</b>	<b>73.46</b>

\*The equity share capital was sub-divided from ₹ 100.00 to ₹ 10.00 at the Extra-Ordinary General Meeting of members of the Company held on March 24, 2022

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

Sr. No.	Name of Shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00%
2	Mr. Selvaraj Durairaj	1,50,200	2.00%
	<b>Total</b>	<b>75,09,975</b>	<b>100.00%</b>

\*The equity share capital was sub-divided from ₹ 100.00 to ₹ 10.00 at the Extra-Ordinary General Meeting of members of the Company held on March 24, 2022

\* 25 Equity Shares of the Company are held by Public Shareholders which amounts to negligible holding percentage of the Company

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

Sr. No.	Name of Shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00%
2	Mr. Selvaraj Durairaj	1,50,200	2.00%
	<b>Total</b>	<b>75,09,975</b>	<b>100.00%</b>

\*The equity share capital was sub-divided from ₹ 100.00 to ₹ 10.00 at the Extra-Ordinary General Meeting of members of the Company held on March 24, 2022

\* 25 Equity Shares of the Company are held by Public Shareholders which amounts to negligible holding percentage of the Company

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

Sr. No.	Name of Shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1	Mr. Balakrishnan Sukumarbalakrishnan	980	98.00%
2	Mr. Selvaraj Durairaj	20	2.00%
	<b>Total</b>	<b>1,000</b>	<b>100.00%</b>

\*Before Subdivision of Shares from ₹ 100.00 to ₹ 10.00 vide shareholders resolution dated March 24, 2022.

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

Sr. No.	Name of shareholder	No. of Equity Shares*	% of Pre-Issue Capital
1	Mr. Balakrishnan Sukumarbalakrishnan	980	98.00%
2	Mr. Selvaraj Durairaj	20	2.00%
	<b>Total</b>	<b>1,000</b>	<b>100.00%</b>

\*Before Subdivision of Shares from ₹ 100.00 to ₹ 10.00 vide shareholders resolution dated March 24, 2022.

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

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

10. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, Right issue or in any other manner during the period commencing from the date of the Red Herring Prospectus until the Equity Shares of our Company have been listed or application money unblocked on account of failure of Issue
11. Our Company does not intend to alter its capital structure within six months from the date of opening of the issue, by way of split / consolidation of the denomination of Equity Shares. However, our Company may further issue equity shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the 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 of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company
12. Details of our Promoter Shareholding

As on the date of this Red Herring Prospectus, our Promoter Mr. Balakrishnan Sukumarbalakrishnan hold 98.00% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

Build-up of our Promoter's shareholding in Our Company

**Mr. Balakrishnan Sukumarbalakrishnan**

Date of Allotment / Transfer	Number of Equity Shares	Face Value (₹)	Issue / Acquisition / Transfer Price (₹)	Nature of Consideration	Nature of transaction	% of pre-Issue equity share capital	% of post Issue equity share capital
Incorporation	9,000	10.00	10.00	Subscriber to MOA	Cash	0.12	0.09
May 10, 2017	(1,000)	10.00	-	Gift to Ms. Sudha Sigamani	Consideration other than Cash	-0.01	-0.01
March 01, 2018	1,000	10.00	-	Gift from Ms. Sudha Sigamani	Consideration other than Cash	0.01	0.01
March 01, 2018	500	10.00	-	Gift from Ms. Sudha Sigamani	Consideration other than Cash	0.01	0.00
March 01, 2018	300	10.00	-	Gift from Ms. Sudha Sigamani	Consideration other than Cash	0.00	0.00
June 22, 2022	73,50,000	10.00	-	Bonus Allotment	Consideration other than Cash	97.87	71.89
June 22, 2022	(5)	10.00	-	Gift to Mr. Visvanathan Hariharan	Consideration other than Cash	0.00	0.00
June 22, 2022	(5)	10.00	-	Gift to Ms. Vishwanathan Revathi	Consideration other than Cash	0.00	0.00
June 22, 2022	(5)	10.00	-	Gift to Mr. Kesavapathy	Consideration other than Cash	0.00	0.00
June 22, 2022	(5)	10.00	-	Gift to Ms. Saraswathy Sanjuktha	Consideration other than Cash	0.00	0.00
June 22, 2022	(5)	10.00	-	Gift to Ms. Saraswathy Sanyuktha	Consideration other than Cash	0.00	0.00
<b>Total</b>	<b>73,59,775</b>					<b>98.00</b>	<b>71.99</b>

Notes:

- a) None of the shares belonging to our Promoter have been pledged till date.

- b) The entire Promoter's shares shall be subject to lock-in from the date of allotment of the equity shares issued through this Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations
- c) All the shares held by our Promoter, were fully paid-up on the respective dates of acquisition of such shares

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

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	Promoter				
1.	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00	73,59,775	71.99
	<b>Total (A)</b>	<b>73,59,775</b>	<b>98.00</b>	<b>73,59,775</b>	<b>71.99</b>
B)	Promoter Group				
1.	NIL	0	0.00	0	0.00
	<b>Total (B)</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	<b>Total (A+B)</b>	<b>73,59,775</b>	<b>98.00</b>	<b>73,59,775</b>	<b>71.99</b>

13. The average cost of acquisition of or subscription of shares by our Promoter is set forth in the table below:

Sr. No.	Name of the Promoter	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	0.01

14. We have 7 (Seven) Shareholders as on the date of this Red Herring Prospectus

15. We hereby confirm that, there has been no acquisition, sale or transfer of Equity Shares by our Promoter, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Red Herring Prospectus.

No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Red Herring Prospectus.

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

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

As on the date of this Red Herring Prospectus, our Promoter hold 73,59,775 Equity Shares constituting 71.99% of the Post – Issued, subscribed and paid-up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoter have given written consent to include 20,46,000 Equity Shares held by them and subscribed by them as part of Promoter's Contribution constituting 20.01% of the post issue Equity Shares of our Company. Further, they have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's contribution, for a period of three years from the date of allotment in the Issue.

Date of Allotment / transfer and made fully paid up	No. of Equity Shares locked in*	Face Value Per Share (₹)#	Issue / Acquisition / Transfer Price (₹)	Nature of transaction	Post-Issue Shareholding %	Lock in Period
Mr. Balakrishnan Sukumarbalakrishnan						
Incorporation	8,000	10.00	10.00	Subscriber to MOA	0.08	3 years
March 01, 2018	1,000	10.00	0.00	Gift from Ms. Sudha Sigamani	0.01	3 years
March 01, 2018	500	10.00	0.00	Gift from Ms. Sudha Sigamani	0.00	3 years
March 01, 2018	300	10.00	0.00	Gift from Ms. Sudha Sigamani	0.00	3 years
June 22, 2022	20,36,200	10.00	0.00	Bonus Allotment	19.92	3 years

<b>Total</b>	<b>20,46,000</b>				20.01	
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*\*Assuming full subscription to the Issue.*

*#After Sub-division of Shares from ₹ 100.00 to ₹ 10.00*

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

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

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

#### 17. Equity Shares locked-in for one year other than Minimum Promoter Contribution

In terms of Regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, in addition to the Minimum Promoter's contribution which is locked in for three years, as specified above, the entire pre-issue equity share capital constituting 54,64,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, the Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the security certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

#### 18. Inscription or Recording of non-transferability

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

#### 19. Pledge of Locked in Equity Shares

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

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;

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.

#### 20. Transferability of Locked in Equity Shares

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

The Equity Shares held by our Promoter and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoter or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

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

21. Our Company, our Directors and the Book Running Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.
22. As on date of this Red Herring Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.
23. As on the date of filing of this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoter or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer
24. As on the date of this Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
25. 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 203 of this Red Herring 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.
26. An over-subscription to the extent of 10% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the 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.
27. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
28. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
29. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
30. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net issue to the public portion.
31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
32. There are no Equity Shares against which depository receipts have been issued.
33. As per RBI regulations, OCBs are not allowed to participate in this issue
34. This Issue is being made through Book Built Method.



35. In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the SCRR) the Issue is being made for at least 25% of the post-issue paid-up Equity Share capital of our Company. Further, this Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoter to the persons who receive allotments, if any, in this Issue.
36. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.
37. None of our Promoter and Promoter Group will participate in the Issue.

Our Company shall ensure that transactions in the Equity Shares by the Promoter and the Promoter Group between the date of filing this Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

The Issue includes a fresh Issue of upto 27,13,600 Equity Shares of our Company at an Issue Price of ₹ [●] (Floor Price) to ₹ [●] (Cap Price) per Equity Share.

#### **Fresh Issue**

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

(₹ in Lakhs)

Particulars	Amount
Gross Proceeds from the Fresh Issue	Upto 2,116.61
Less: Issue related expenses*	289.50
Net Proceeds of the Fresh Issue	[●]

#### **Requirement of Funds**

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

- a) Working Capital Requirements
- b) General Corporate Purposes.s

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

We believe that listing will enhance our corporate image and brand name and create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc. Recently, we have also ventured into new business vertical i.e., E-Commerce Business. Our team of experienced and dedicated professionals provide services and solutions that are at the forefront of industry best practice. We thrive to provide the highest level of services on every assignment and to provide best-in-class and cost-effective services and solutions to our clients.

#### **Utilization of Net Fresh Issue Proceeds**

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

(₹ in lakhs)

Sr. No.	Particulars	Total Estimated Expenditure	Estimated deployment of Net Proceeds by the Financial Year ended March 31, 2024
1	Working Capital Requirements	1,400.00	1,400.00
2	General Corporate Purposes	[●]	[●]
	<b>Total</b>	[●]	[●]

#### **Means of Finance:**

The above-mentioned fund requirement will be met from the proceeds of the Issue. We intend to fund the shortfall, if any, from internal accruals.

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

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

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

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

For further details on the risks involved in our business plans and executing our business strategies, please see the chapter titled "*Risk Factors*" beginning on page 28 of this Red Herring Prospectus.

### 1) To Meet Working Capital Requirements

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, the incremental working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach ₹ 1,734.48 Lakhs for FY 2022-2023. We intend to meet our working capital requirements to the extent of ₹ 1,400.00 Lakhs from the Net Proceeds of this Issue and the balance will be met from internal accruals at an appropriate time as per the requirement.

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

The details of our Company's composition of working capital as at October 31, 2022 and March 31, 2023 based on the Restated Summary Statements and working capital estimates. Further the source of funding of the same are as set out in the table below:

Particulars	October 31, 2022	March 31, 2024
	Restated	Estimated
<b>Current Assets</b>		
Trade Receivables	1,247.86	2,366.21
Cash and Cash Equivalents	244.09	826.13
Short Term Loans & Advances	1,957.27	2,404.10
Other Current Assets	870.15	1,639.02
<b>Total (I)</b>	<b>4,319.37</b>	<b>7,235.46</b>
<b>Current Liabilities</b>		
Trade Payables	1,468.09	2,042.12
Other Current Liabilities	456.11	742.60
Short Term Borrowings	45.14	49.65
Short Term Provisions	275.00	591.58
<b>Total (II)</b>	<b>2,244.34</b>	<b>3,425.95</b>
<b>Net Working Capital (I) – (II)</b>	<b>2,075.03</b>	<b>3,809.51</b>
<b>Incremental Working Capital</b>		<b>1,734.48</b>
<b>Funding Pattern:</b>		
Internal Accruals		334.48
Part of the IPO Proceeds		1,400.00

### **Assumptions for working capital requirement**

Assumptions for Holding Levels

(In days)

<b>Particulars</b>	<b>Holding level as on October 31, 2022</b>	<b>Holding level as on March 31, 2024</b>
<b>Current Assets</b>		
Inventories	-	-
Trade Receivables	31	26
<b>Current Liabilities</b>		
Trade Payables	39	25

### **Justification for Holding Period Levels**

<b>Particulars</b>	<b>Detail</b>
Inventories	Our Company being in service industry does not hold any inventory
Trade Receivables	We have assumed trade receivables credit period of 26 days in the financial year 2022-23 due to better management control.
Trade Payables	We have assumed trade payables credit period of 25 days for the financial year 2022-23 due to better management control.

Pursuant to the certificate dated April 18, 2023, M/s. Gupta Agarwal & Associates, Chartered Accountants, have verified the working capital requirements for the stub period ended on October 31, 2022 from the Restated Financial Information and working capital estimates for the financial year 2023 as approved by the Board pursuant to its resolution dated April 18, 2023.

## **2) General Corporate Purposes**

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

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

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

### **Proposed Year wise Deployment of Funds / Schedule of Implementation**

The entire Net Fresh Issue Proceeds are proposed to be deployed in the Financial Year 2023 – 24.

### **Public Issue Expense**

The estimated Issue related expenses include Issue Management Fee, Marketing Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately ₹ 289.50 Lakhs. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Particulars	Expenses	% of Total Issue Expenses	% of Total Issue size
	(₹ In Lakh)		
Payment to the Book Running Lead Manager	20.29	7.01%	0.80%
Underwriting Fees	127.50	44.04%	5.00%
Market Making Fees	2.00	0.69%	0.08%
Fees payable to Registrar to Issue	0.50	0.17%	0.02%
Fees to Legal Advisor	1.50	0.52%	0.06%
Advertisement Expenses	3.60	1.24%	0.14%
Fees payable to Regulators including Stock Exchange	3.86	1.33%	0.15%
Printing & Distribution Expenses	0.75	0.26%	0.03%
Marketing & Selling Expenses	127.50	44.04%	5.00%
Payment to Sponsor Bank	0.50	0.17%	0.02%
Statutory & Other Reports	1.50	0.52%	0.06%
<b>Total</b>	<b>289.50</b>	<b>100.00%</b>	<b>11.35%</b>

\*\* SCSBs will be entitled to a processing fee of ₹ 1.00 per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them.

Selling commission payable to Registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non-Institutional Applicants, would be 0.001% on the Allotment Amount# or ₹ 50.00 whichever is less on the Applications wherein shares are allotted.

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

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

### Appraisal by Appraising Fund

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

### Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and /or unsecured Loans.

### Bridge Financing Facilities

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

### Monitoring Utilization of Funds

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

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

### **Interim Use of Proceeds**

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

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed Company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

### **Other Confirmations**

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



## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the chapter titled “Risk Factors”, the details about our Company under the chapter titled “Our Business” and its financial statements under the chapter titled “Financial Statements as Restated” beginning on pages 28, 104 and 152 respectively, to have an informed view before making an investment decision.*

The Price Band will be determined by our Company in consultation with the BRLM, and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10.00 each, the Issue Floor Price is ₹ [●] which is [●] times the face value at the lower end of the Price Band, and the Issue Cap Price is ₹ [●] which is [●] times the face value at the higher end of the Price Band. Investors should refer to “Risk Factors”, “Our Business”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 28, 104, 152 and 152, respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors, which form the basis for the Issue Price, are:

1. Focus on Increase in Volume of Sales.
2. Enhance performance of existing business
3. Leveraging our market skills and relationship to serve existing clients
4. Increasing the number of Clients
5. Building-up as on Professional Organization
6. Continue to attract and retain talent
7. Strategic Acquisition and Alliance Opportunities
8. Established relationship with existing customers
9. Client Focus

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, **Our Business**, beginning on page no. 104 of this Red Herring Prospectus.

### Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, see “Financial Information” beginning on page 152.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

#### Basic Earnings and Diluted Earnings per Equity Share (EPS) as per Accounting Standard 20

##### As per Restated Financial Statements (Pre-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2020	3,615.46	1
March 31, 2021	5,091.48	2
March 31, 2022	7,916.28	3
<b>Weighted Average</b>	<b>6,257.88</b>	
<b>For the Period from April 01, 2022 to October 31, 2022 (Not annualized)</b>	<b>8.13</b>	

##### As per Restated Financial Statements (Post-Bonus)

Period	Basic and Diluted EPS (in ₹)	Weight
March 31, 2020	4.81	1
March 31, 2021	6.78	2
March 31, 2022	10.54	3
<b>Weighted Average</b>	<b>8.33</b>	
<b>For the Period from April 01, 2022 to October 31, 2022 (Not annualized)</b>	<b>8.13</b>	

\*Notes:

1. *Basic and diluted earnings/ (loss) per equity share: Basic and diluted earnings per equity share are computed in accordance with Accounting Standard 20 – “Earnings per Share” issued by the Institute of Chartered Accountants of India.*
2. *The ratios have been computed as below:*
  - *Basic EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number basic equity shares outstanding during the year/period.*
  - *Diluted EPS is calculated as Profit/(loss) for the year/period attributable to owners of parent divided by the adjusted weighted average number of adjusted diluted equity shares outstanding during the year/period.*
3. *Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year/period adjusted by the number of equity shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year/period.*
4. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}.*

For further details, see “**Other Financial Information**” on page 152.

**Price/Earning (“P/E”) Ratio in relation to Price Band of of ₹ [●] to ₹ [●] per Equity Share:**

Particulars	P/E at Floor Price (no. of times)	P/E at Cap Price (no. of times)
<b>Based on Restated Financial Statements</b>		
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-22	[●]	[●]
P/E ratio based on the Weighted Average Basic & Diluted EPS	[●]	[●]

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

**Return on Net Worth as per Restated Financial Statements**

Period	RONW (%)	Weight
March 31, 2020	66.71	1
March 31, 2021	48.44	2
March 31, 2022	42.96	3
<b>Weighted Average</b>	<b>48.75</b>	
<b>For the Period from April 01, 2022 to October 31, 2022 (Not annualized)</b>	<b>24.88</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.*

**As per Restated Financial Statements:**

Minimum return on Post Issue Net Worth to maintain the Pre-Issue EPS (Post Bonus) for the financial year ended on 31<sup>st</sup> March, 2022- [●] %.

**Net Asset Value (NAV) per Equity Share**

**As per Restated Financial Statements – Pre-Bonus**

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2020	5,419.33
b)	As on March 31, 2021	10,510.91
c)	As on March 31, 2022	18,427.19
d)	<b>For the Period from April 01, 2022 to October 31, 2022 (Not annualized)</b>	<b>32.66</b>

## As per Restated Financial Statements – Post-Bonus

Sr. No.	Particulars	On the basis of Restated Financial Statements (₹)
a)	As on March 31, 2020	7.22
b)	As on March 31, 2021	14.00
c)	As on March 31, 2022	24.54
d)	<b>For the Period from April 01, 2022 to October 31, 2022 (Not annualized)</b>	32.66
e)	<b>Net Asset Value per Equity Share after the Issue at Issue Price</b>	
	-At the lower end of the price band of ₹ [●]	[●]
	-At the higher end of the price band of ₹ [●]	[●]
f)	<b>Issue Price</b>	[●]

### Notes:

- NAV has been calculated as Net worth divided by number of Equity Shares at the end of the year.
- Net asset value per equity share = net worth attributable to the owners of the parent as at the end of the year/period divided by adjusted number of equity shares outstanding as at the end of year/period.
- Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of statement of profit and loss, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off and non-controlling interest, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.
- Net Worth and the number of equity shares as at the end of the year/period have been adjusted to give effect to the consequent increase in share capital on the assumption that options outstanding to subscribe for additional equity capital (i.e. outstanding share warrants and employee stock options), wherever applicable, were exercised in the respective financial year/period. The computation considering aforementioned effects has been carried out in accordance with the requirements of SEBI ICDR Regulations and therefore the net worth and the number of equity shares outstanding as at the end of the year/period has not been derived from Restated Financial Information.

For further details, see “**Other Financial Information**” on page 152.

### Peer Group Comparison of Accounting Ratios:

Particulars	CMP	EPS (₹)	PE Ratio	RONW (%)	NAV (₹)	Face Value (₹)	Revenue from Operations (₹ in Lakh)
Innokaiz India Limited	[●]*	10.54	[●]	42.96	24.54	10.00	28,592.69
<b>Peer Group **</b>							
DAPS Advertising Limited	25.50	3.14	11.46	7.65	24.03	10.00	1,868.00
Brandbucket Media & Technology Limited	19.50	0.74	37.57	44.04	32.15	10.00	1,727.00

\* CMP for our Company is considered as Issue Price

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

### Notes:

- The figures of Innokaiz India Limited are based on financial statements as restated as on March 31, 2022.
- Considering the nature and size of business of the Company, the peers are not strictly comparable. However same have been included for broad comparison.
- Current Market Price (CMP) is the closing price of peer group scrips as on April 20, 2023.
- The figures for the peer group are based on the standalone audited financials for the year ended March 31, 2022.

The face value of our share is ₹10.00 per share and the Issue Price is of ₹[●] per share are [●] times of the face value.

The Company in consultation with the Book Running Lead Manager believes that the Issue Price of ₹[●] per share for the Public Issue is justified in view of the above parameters. Investor should read the above-mentioned information along with the chapter titled “**Risk Factors**” beginning on page 28 of this Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “**Financial Statements as Restated**” beginning on page 152 of this Red Herring Prospectus.

## **STATEMENT OF SPECIAL TAX BENEFITS**

**To**  
**The Board of Directors**  
**INNOKAIZ INDIA LIMITED**  
Door No 43 Old No-22  
Real Enclave Flat No 14<sup>th</sup> Floor  
Josier Street Nungambakkam  
Chennai-600 034, Tamilnadu, India

Dear Sir,

**Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to INNOKAIZ INDIA LIMITED (“the Company”) and its shareholders prepared in accordance with the requirements in Point No. 9 (L) of Part A of Schedule VI of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2018, as amended (“the Regulations”)**

We hereby report that this certificate along with the annexure (hereinafter referred to as “**The Statement**”) states the possible special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2022 (i.e. applicable to F.Y. 2023-24 relevant to A.Y. 2024-25) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax [GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

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

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

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

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

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

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

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

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

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

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

Sd/-

**Jay Shanker Gupta**

**Partner**

**Membership No.: 059535**

**UDIN: 23059535BGSWTD4490**

Date: April 18, 2023

Place: Kolkata

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

Outlined below are the possible special tax benefits available to the Company and its shareholders under the current direct tax laws in India for the financial year 2023-24. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

There are no Special tax benefits available to the Company.

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

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

**Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the F.Y.2023-24 relevant to A.Y. 2024-25.
4. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

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

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

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

**Sd/-  
Jay Shanker Gupta  
Partner  
Membership No.: 059535  
UDIN: 23059535BGSWTD4490**

Date: April 18, 2023  
Place: Kolkata



## **SECTION VIII: ABOUT THE ISSUER COMPANY**

### **OUR INDUSTRY**

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

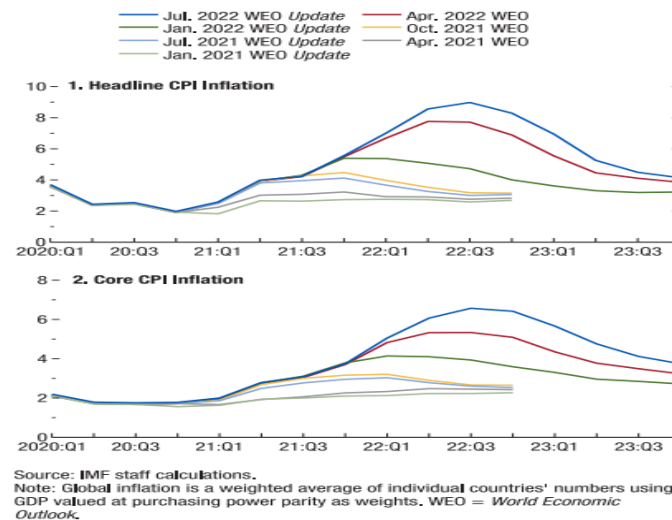
#### **GLOBAL ECONOMY AT LARGE**

- A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.
- The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022, 0.4 percentage point lower than in the April 2022 World Economic Outlook. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply demand imbalances, and it is anticipated to reach 6.6 percent in advanced economies and 9.5 percent in emerging market and developing economies this year—upward revisions of 0.9 and 0.8 percentage point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9 percent.
- The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchor; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6 percent and 2.0 percent in 2022 and 2023, respectively, would put growth in the bottom 10 percent of outcomes since 1970.
- With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance, such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices. And as the pandemic continues, vaccination rates must rise to guard against future variants. Finally, mitigating climate change continues to require urgent multilateral action to limit emissions and raise investments to hasten the green transition.

#### **The Forces Shaping the Outlook**

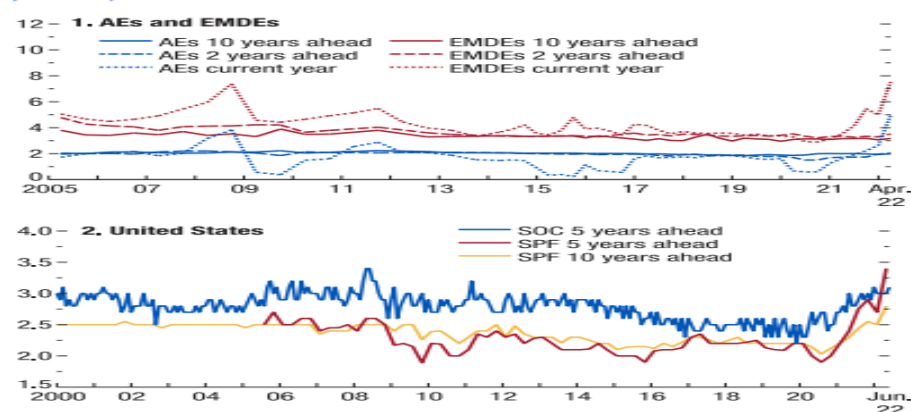
Global slowdown intensifies as downside risks materialize. A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022. Performance was slightly better than expected in the first quarter, but world real GDP is estimated to have shrunk in the second quarter—the first contraction since 2020—owing to economic downturns in China and Russia. Downside risks discussed in the April 2022 World Economic Outlook are materializing, with higher inflation worldwide, especially in the United States and major European economies, triggering a sharp tightening in global financial conditions; a sharper-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative cross-border effects from the war in Ukraine.

**Figure 1. Global Inflation Forecasts: Serial Upside Surprises**  
(Percent)



Global inflation again surprises on the upside, prompting more central bank tightening. Since 2021, consumer prices have consistently risen faster than widely expected, including in the World Economic Outlook (Figure 1). In the United States, the consumer price index rose by 9.1 percent in June, compared with a year earlier, and it also rose by 9.1 percent in the United Kingdom in May—the highest inflation rates in these two countries in 40 years. In the euro area, inflation in June reached 8.6 percent, its highest level since the inception of the monetary union. Equally concerning, in emerging market and developing economies, second-quarter inflation is estimated to have been 9.8 percent. Higher food and energy prices, supply constraints in many sectors, and a rebalancing of demand back toward services have in most economies driven up headline inflation. But underlying inflation has also increased, as reflected in different gauges of core inflation, reflecting the pass-through of cost pressures by way of supply chains and tight labor markets, especially in advanced economies. Wage growth has on average not kept up with inflation across both advanced and emerging market and developing economies, eroding household purchasing power. Although long-term inflation expectations have been stable in most major economies, they have started to rise according to some measures, including in the United States (Figure 2). In response to incoming data, central banks of major advanced economies are withdrawing monetary support more assertively and raising policy interest rates faster than expected in the April 2022 World Economic Outlook. Central banks in several emerging market and developing economies have raised interest rates more aggressively than during past advanced economy tightening cycles. The associated rise in longer-term borrowing costs, including mortgage rates, and tighter global financial conditions (see box) have led to precipitous declines in equity prices, weighing on growth. At the same time, public COVID-19 support packages have been wound down.

**Figure 2. Longer-Term Inflation Expectations**  
(Percent)



**China’s economic slowdown has added to global supply chain disruptions.**

COVID-19 outbreaks and mobility restrictions as part of the authorities’ zero-COVID strategy have disrupted economic activity widely and severely. Shanghai, a major global supply chain hub, entered a strict lockdown in April 2022, forcing citywide economic activity to halt for about eight weeks. In the second quarter, real GDP contracted significantly by 2.6 percent on a sequential basis, driven by lower consumption—the sharpest decline since the first quarter of 2020, at the onset of the pandemic, when it declined by 10.3 percent. Since then, more contagious variants have driven a worrisome surge in COVID-19 cases. The worsening crisis in China’s property sector is also dragging down sales and real estate

investment. The slowdown in China has global consequences: lockdowns added to global supply chain disruptions and the decline in domestic spending are reducing demand for goods and services from China's trade partners.

## **BASELINE SCENARIO**

Global growth: In the baseline scenario, global growth is 3.2 percent in 2022 and moderates to 2.9 percent in 2023, lower than projected in the April 2022 World Economic Outlook by 0.4 and 0.7 percentage point, respectively. In a number of cases, a better-than-expected growth outcome in the first quarter of 2022 offsets the subsequent slowdown, resulting in a relatively modest net negative revision for average annual growth in 2022. Downgrades for China and the United States, as well as for India, are driving the downward revisions to global growth during 2022–23, which reflect the materialization of downside risks highlighted in the April 2022 World Economic Outlook: a sharper slowdown in China due to extended lockdowns, tightening global financial conditions associated with expectations of steeper interest rate hikes by major central banks to ease inflation pressure, and spillovers from the war in Ukraine. With growth near 3 percent in 2022–23, a decline in global GDP or in global GDP per capita—sometimes associated with global recession—is not currently part of the baseline scenario. However, projections for growth on a fourth-quarter-over-fourth-quarter basis point to a significant weakening of activity in the second half of 2022 (Table 1). While the revisions are mostly negative for advanced economies, differing exposures to the underlying developments mean that those for emerging market and developing economies are more mixed:

As noted, growth revisions for major advanced economies in 2022–23 are generally negative. Baseline growth in the United States is revised down by 1.4 percentage points and 1.3 percentage points in 2022 and 2023, respectively, reflecting weaker-than-expected growth in the first two quarters of 2022, with significantly less momentum in private consumption, in part reflecting the erosion of household purchasing power and the expected impact of a steeper tightening in monetary policy. Growth in the euro area is also revised down: by 0.2 percentage point in 2022, when improved prospects for tourism and industrial activity in Italy are more than offset by significant downgrades in France, Germany, and Spain; and by 1.1 percentage point in 2023.

This reflects spillovers from the war in Ukraine as well as the assumption of tighter financial conditions, with the European Central Bank ending net asset purchases and raising rates in July 2022 for the first time since 2011. In a number of European economies, NextGenerationEU funds are supporting economic activity.

For emerging market and developing economies, the negative revisions to growth in 2022–23 reflect mainly the sharp slowdown of China's economy and the moderation in India's economic growth. The revision in emerging and developing Asia is correspondingly large, at 0.8 percentage point in the baseline for 2022. This revision includes a 1.1 percentage point downgrade to growth in China, to 3.3 percent (the lowest growth in more than four decades, excluding the initial COVID-19 crisis in 2020), owing primarily to the aforementioned COVID-19 outbreaks and lockdowns. Likewise, the outlook for India has been revised down by 0.8 percentage point, to 7.4 percent. For India, the revision reflects mainly less favorable external conditions and more rapid policy tightening. Elsewhere, growth revisions in the baseline have been mostly on the upside. Real GDP for emerging and developing Europe is expected to shrink by 1.5 percentage points less in 2022 than predicted in the April 2022 World Economic Outlook but grow by 0.4 percentage point less in 2023, on the back of stronger-than-expected Russian export growth in 2022 and the recently announced additional sanctions on Russia in 2023. Latin America and the Caribbean has also seen an upward revision of 0.5 percentage point in 2022 as a result of a more robust recovery in the large economies (Brazil, Mexico, Colombia, Chile). The outlooks for countries in the Middle East and Central Asia and sub-Saharan Africa remain on average unchanged or positive, reflecting the effects of elevated fossil fuel and metal prices for some commodity-exporting countries. Inflation: The baseline projection for global inflation is also more pessimistic, having been revised up to 8.3 percent in 2022 on a fourth-quarter-over-fourth-quarter basis, from 6.9 percent in the April 2022 World Economic Outlook. The upside inflation revision in 2022 is larger for advanced economies, where it is expected to reach 6.3 percent from 4.8 percent projected in the April 2022 World Economic Outlook on a fourth-quarter-over-fourth-quarter basis, driven by significant increases in headline inflation among such major economies as the United Kingdom (a 2.7 percentage point upward revision to 10.5 percent) and the euro area (a 2.9 percentage point upward revision to 7.3 percent). Forecasts for 2023 are relatively unchanged—up by only 0.2 percentage point on a fourth-quarter-over-fourth-quarter basis—reflecting confidence that inflation will decline as central banks tighten policies and energy price base effects turn negative. For emerging market and developing economies, inflation in 2022 is expected to reach 10.0 percent on a fourth-quarter-over-fourth-quarter basis. Revisions for those economies display greater variation across countries, with relatively modest increases in emerging and developing Asia (partly because of a slowdown of activity in China and limited increases in prices of staple foods) but larger revisions for Latin America and the Caribbean (up by 3.0 percentage points) and for emerging and developing Europe (up by 2.9 percentage points).

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2022/07/26/world-economic-outlook-update-july-2022>)

## INDIAN ECONOMY

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. This chapter explains how this flexible and multi-layered approach is partly based on an "Agile" framework that uses feedback-loops, and the monitoring of real-time data.

Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the "second wave" in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe.

Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020-21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction.

Total Consumption is estimated to have grown by 7.0 per cent in 2021-22 with significant contributions from government spending. Similarly, Gross Fixed Capital Formation exceeded pre-pandemic levels on the back of ramped up public expenditure on infrastructure. Exports of both goods and services have been exceptionally strong so far in 2021-22, but imports also recovered strongly with recovery in domestic demand as well as higher international commodity prices.

With the vaccination programme having covered the bulk of the population, economic momentum building back and the likely long-term benefits of supply-side reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23. Nonetheless, the global environment still remains uncertain. At the time of writing, a new wave in the form of the Omicron variant was sweeping across the world, inflation had jumped up in most countries, and the cycle of liquidity withdrawal was being initiated by major central banks. This is why it is especially important to look at India's macroeconomic stability indicators and their ability to provide a buffer against the above stresses. Despite all the disruptions caused by the global pandemic, India's balance of payments remained in surplus throughout the last two years. This allowed the Reserve Bank of India to keep accumulating foreign exchange reserves (they stood at US\$ 634 billion on 31st December 2021). This is equivalent to 13.2 months of merchandise imports and is higher than the country's external debt. The combination of high foreign exchange reserves, sustained foreign direct investment, and rising export earnings will provide an adequate buffer against possible global liquidity tapering in 2022-23. The fiscal support given to the economy as well as to the health response caused the fiscal deficit and government debt to rise in 2020-21. However, a strong rebound in government revenues in 2021-22 has meant that the Government will comfortably meet its targets for the year while maintaining the support, and ramping up capital expenditure. The strong revival in revenues (revenue receipts were up over 67 per cent YoY in April-November 2021) means that the Government has fiscal space to provide additional support if necessary. The financial system is always a possible area of stress during turbulent times. However, India's capital markets, like many global markets, have done exceptionally well and have allowed record mobilization of risk capital for Indian companies. More significantly, the banking system is well capitalized and the overhang of Non-Performing Assets seem to India does need to be wary of imported inflation, especially from elevated global energy prices. Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This "barbell strategy" was discussed in last year's Economic Survey. A key enabler of this flexible, iterative "Agile" approach is the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty. Another distinguishing feature of India's response has been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatisation, production-linked incentives and so on. These have been discussed in detail in the respective chapters. Even the sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth. This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development have structurally declined even allowing for some lagged impact of the pandemic. Vaccination is not merely a health response but is critical for opening up the economy, particularly contact-intensive services. Therefore, it should be treated for now as a macro-economic indicator. Over the course of a year, India delivered 157 crore doses that covered 91 crore people with at least one dose and 66 crores with both doses. The vaccination process for boosters and for the 15-18-year



age group was also gathering pace at the time of writing. Inflation has reappeared as a global issue in both advanced and emerging economies. India's Consumer Price Index inflation stood at 5.6 per cent YoY in December 2021 which is within the targeted tolerance band. Wholesale price inflation, however, has been running in double-digits. Although this is partly due to base effects that will even out, India does need to be wary of imported inflation, especially from elevated global energy prices. Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This "barbell strategy" was discussed in last year's Economic Survey. A key enabler of this flexible, iterative "Agile" approach is the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty. Another distinguishing feature of India's response has been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like 'retrospective tax', privatisation, production-linked incentives and so on. These have been discussed in detail in the respective chapters. Even the sharp increase in capital spending by the Government can be seen both as demand and supply enhancing response as it creates infrastructure capacity for future growth. This year's Survey particularly highlights the importance of process reforms in a number of sectors while Chapter 11 provides a brief demonstration of the use of satellite images and geo-spatial data, both recently deregulated sectors, for gauging economic development.

## GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- 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 ₹ 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 ₹ 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 ₹ 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 ₹ 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 ₹ 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 ₹ 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 ₹ 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 ₹ 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 ₹ 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth ₹ 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 ₹ 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.
- To boost the overall audit quality and transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives, and large non-banks and housing finance firms.
- In May 2021, the Government of India allocated ₹ 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced ₹ 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 ~₹ 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, Indian 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 ₹ 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 ₹ 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, NITI Aayog and Cisco collaborated to encourage women’s entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures, including ₹ 15,000 crores (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.



- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India by increasing foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for the second tranche of EUR 150 million (US\$ 182.30 million) for the Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the ₹ 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet approved the signing of a memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched the 'DGFT Trade Facilitation' app to provide instant access to exporters / importers anytime and anywhere.
- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2022. Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.
- Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.
- India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

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

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030. India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by PricewaterhouseCoopers.

(Source: <https://www.ibef.org/economy/ndian-economy-overview>)

## **E-COMMERCE INDUSTRY IN INDIA**

- In 2022, the Indian e-commerce market is predicted to increase by 21.5%, reaching US\$ 74.8 billion. E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US\$ 188

billion by 2025 from US\$ 46.2 billion as of 2020. By 2030, it is expected to reach US\$ 350 billion. India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026.

- Much of the growth for the industry has been triggered by an increase in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' programme. Out of the total internet connections, ~55% of connections were in urban areas, of which 97% of connections were wireless.
- Some of the major developments in the Indian e-commerce sector are as follows:
- In June 2022, Amazon India signed an MoU with Manipur Handloom & Handicrafts Development Corporation Limited (MHHDCL), a Government of Manipur Enterprise to support the growth of artisans and weavers across the state.
- India's eCommerce sector received US\$ 15 billion of PE/VC investments in 2021 which is 5.4 times increase year on year. This is the highest investment value received by any sector ever in India.
- In February 2022 Xpressbees a logistics ecommerce platform become a unicorn valued at US\$ 1.2 billion in 2022. The firm raised US\$ 300 million in its Series F funding.
- In February 2022, Amazon India launched One district One product (ODOP) bazaar on its platform to support MSMEs.
- In February 2022, Flipkart launched the "sell back program" to enable trade in smartphones.
- In January 2022, Walmart invites Indian sellers to join its US market place with an aim of exporting US\$ 10 billion from India each year by 2027.
- In January 2022, Flipkart has announced expansion in its grocery services and will offer services to 1,800 Indian cities.
- In November 2021, XPDEL US- based ecommerce announced expansion in India.
- In September 2021, CARS24, India's leading used car e-commerce platform, has raised US\$ 450 million in funding, comprising a US\$ 340 million Series F equity round and US\$ 110 million in debt from various financial institutions.
- In September 2021, Amazon launched Prime Video Channels in India. Prime Video Channels will give Prime members a seamless experience and access to a variety of popular video streaming services.
- In September 2021, Bikayi, a mobile commerce enabler, raised US\$ 10.8 million in a Series A funding round, led by Sequoia Capital India.
- Flipkart, India's e-commerce powerhouse, announced in July 2021 that it has raised US\$ 3.6 billion in new funding from various sources including sovereign funds, private equities and Walmart (parent company).
- In June 2021, Flipkart added a new fulfilment centre (FC) in Dankuni, West Bengal. The FC is spread over 2.2 lakh sq. ft. and has a potential to create ~3,500 direct jobs.
- In June 2021, Grofers, the grocery delivery start-up, reportedly entered the unicorn club, after raising US\$ 120 million from Zomato, the food delivery platform.
- In June 2021, Mastercard invested an undisclosed amount in Instamojo, a payments firm, to help digitise online stores and process their payments more seamlessly.
- In May 2021, Amazon introduced a video streaming service within its shopping app called MiniTV for users in India. MiniTV features web series, comedy shows and content on tech news, food, beauty and fashion.
- In May 2021, Flipkart strengthened its grocery infrastructure to cater to customer safety and demand across India. In this quarter, it is planning to further expand its fulfilment centre capacity for grocery by over 8 lakh square feet across Delhi, Kolkata, Chennai, Coimbatore and Hyderabad.

- In May 2021, Flipkart announced that it is in talks with sovereign funds, private equity majors and other investors to raise up to US\$ 2 billion at a valuation of US\$ 30 billion.
- In April 2021, Flipkart announced a commercial alliance with Adani Group to improve the company's logistics and data centre capabilities and create about 2,500 direct jobs.
- In April 2021, Flipkart announced to acquire Cleartrip, an online travel technology firm. Flipkart announced to purchase 100% shareholding of Cleartrip as the company expands its investments to broaden its digital commerce offerings for customers.
- In April 2021, Kirana commerce platform ElasticRun raised US\$ 75 million in a round led by existing investors—Avataar Venture Partners and Prosus Ventures.
- In March 2021, Amazon acquired Bengaluru-based retail tech start-up Perpule for Rs. 107.6 crore (US\$ 14.5 million).
- In March 2021, Purpille, an online beauty store, raised US\$ 45 million from Sequoia Capital India, Verinvest, Blume Ventures and JSW Ventures.
- In March 2021, Captain Fresh, a B2B marketplace for seafood, raised US\$ 3 million in seed capital led by Matrix Partners India and Ankur Capital.
- In March 2021, the Confederation of All India Traders (CAIT), which represents 80 million traders and 40,000 trader associations, announced the launch of a mobile app for its e-commerce portal, 'Bharat E-market'. The association aims to get more small traders to sell online easily through smartphones.

## **ROAD AHEAD**

The E-commerce industry has been directly impacting micro, small & medium enterprises (MSME) in India by providing means of financing, technology and training and has a favorable cascading effect on other industries as well. Indian E-commerce industry has been on an upward growth trajectory and is expected to surpass the US to become the second largest E-commerce market in the world by 2034. Technology enabled innovations like digital payments, hyper-local logistics, analytics driven customer engagement and digital advertisements will likely support the growth in the sector. The growth in the E-commerce sector will also boost employment, increase revenues from export, increase tax collection by exchequers, and provide better products and services to customers in the long term. The rise in smartphone usage is expected to rise 84% to reach 859 million by 2022.

The e-retail market is expected to continue its strong growth - it registered a CAGR of over 35% to reach Rs. 1.8 trillion (US\$ 25.75 billion) in FY20. Over the next five years, the Indian e-retail industry is projected to exceed ~300-350 million shoppers, propelling the online Gross Merchandise Value (GMV) to US\$ 100-120 billion by 2025. According to Bain & Company report, India's social commerce gross merchandise value (GMV) stood at ~US\$ 2 billion in 2020. By 2025, it is expected to reach US\$ 20 billion, with a potentially monumental jump to US\$ 70 billion by 2030, owing to high mobile usage.

(<https://www.ibef.org/industry/ecommerce>)

## **ADVERTISING AND MARKETING INDUSTRY IN INDIA**

### **Introduction**

The chances of achieving objectives and goals are greater when a company has an effective marketing strategy in place. Though there is always room for traditional strategies such as targeting the audience through television or radio, the modern consumer is progressively using other methods (the Internet, mobile phones, etc.) to access information. Here, social media marketing is vital, especially in a country like India which is one of the youngest in the world demographically and has a growing broadband market. It is not far-fetched to suggest that marketing strategies are the blood line of any business and that a company's long-term goals are dependent on their efficacy.

### **Marketing Industry Dynamics**

- Marketers in India typically utilize television, print and the Internet for marketing their offerings. Some key figures related to these sub-segments are given below:

- The Indian media and entertainment (M&E) industry grew from Rs 728 billion (US\$ 11.74 billion) in 2011 to Rs 820 billion (US\$ 13.22 billion) in 2012, a growth of 12.6 per cent.
- Total advertising expenditure (AdEx) across the media sector stood at Rs 327.4 billion (US\$ 5.28 billion) in 2012, while advertising revenues grew by 9 per cent.
- Print continued to dominate, accounting for 46 per cent of the advertising revenue at Rs 150 billion (US\$ 2.42 billion).
- Television led in the M&E industry while new media segments (like animation/VFX) and Films and Music segments also recorded discernible growth. Radio is projected to record a compounded annual growth rate (CAGR) of 16.6 per cent in the period 2012–17, post the roll out of Phase 3 licensing.
- The Indian M&E industry is expected to grow 11.8 per cent to garner revenues worth Rs 91,700 crore (US\$ 14.79 billion) in 2013, according to an industry report. Traditional media such as television, print and radio continue to dominate. However, other segments such as animation, visual effects, films and music are quickly gaining acceptance due to their content and the advantages of digitization. Conventional media such as television and newspapers remain the masses' preferred source for information and entertainment; they account for over four-fifths of the advertising revenue. However, the Internet has gradually been increasing its share in the advertising pie. Spends on digital media hovered just above 1 per cent of the total advertising expenditure in 2005; in 2012, it stood at a respectable 7 per cent.
- Search advertising catered for about 38 per cent (Rs 850 crore [US\$ 137.14 million]) of the total online advertising spend while display advertising formed a significant 29 per cent (Rs 662 crore [US\$ 106.86 million]) by March 2013, according to the findings of 'Digital Advertising in India' report conducted by the Internet and Mobile Association of India (IAMAI) and IMRB International. Advertisements on mobile phones and tablets have increased from a 7 per cent share in FY 2011–12 to 10 per cent of the online advertisement market in FY 2012–13, which amounts to expenditure of around Rs 230 crore (US\$ 37.17 million). Social media, email and video advertising comprise 13 per cent, 3 per cent and 7 per cent of the online advertising market, respectively.

### **Social Media as a Strategy**

Social media is increasingly being used by companies, big or small, to reach out to potential consumers. The advantage of social media is that a business can interact with its customer in a closer, peer-to-peer manner, something that is not always possible with non-digital marketing. Social media is a unique instrument of communication that facilitates interaction not just between two entities (the company and the consumer) but between multiple parties (i.e. the company, its clients, stakeholders, employees, etc.). With social media, companies can create, sustain and leverage connections and strengthen their position in the market.

Multinational American Express is an example of a company which is active in both B2C and B2B spaces. It has established conversational platforms, both independent (Open Forum) and mainstream social media (Amex on Facebook), in an effort to improve communications with small businesses and potential investors. American Express regularly updates its website with news pertinent to its audience (e.g., facts and trends about small businesses), often posting challenging questions aimed at involving them in discussions as well as facilitating meaningful interactions between small businesses. This way, the multinational has successfully established itself as a hotbed of information exchange within the industry.

Professional networking site LinkedIn is another hot spot for marketers, especially with the site gaining popularity among Indian users. Experts opine that unlike user of other social media platforms, LinkedIn users, being professionals with disposable income, are more likely to purchase products and services.

### **Recent Developments**

Chinese personal computers (PC) maker Lenovo is competing for a substantial market share in India's smartphone market. The company, which launched six smartphones in the Indian market in June, 2013, has established deals with three national distribution chains while entering into a partnership with HCL Care for after-sales service. The popular PC company plans to use its multi-crore advertising and marketing campaign to convince the Indian consumer that it is more than just a PC brand.

French advertising and public relations multinational Publicis Groupe has acquired Beehive Communications, an Indian advertising and communications agency. The agency, which is now rebranded as Publicis Beehive, is believed to have been purchased for around Rs 150 crore (US\$ 24.20 million). Beehive is headquartered in Mumbai and has offices in

New Delhi and Bangalore. Its clientele include Tourism Malaysia, General Motors, Bosch and Hard Rock Café, among others.

State-run National Textile Corporation (NTC) is targeting a launch of 300 retail stores over the next two years. The company is looking at starting 100 showrooms by March 31, 2014 and a further 200 stores by March 31, 2015. This strategy would enable NTC to sell 2.6 million metres of garments. The corporation's turnover during FY 2011–12 was Rs 700 crore (US\$ 112.98 million) and the marketing strategy is being undertaken with the aim of doubling that figure.

Mobile advertising spend in India is projected to reach Rs 430 crore (US\$ 69.40 million) by March, 2014, a 43 per cent increase from the Rs 300 crore (US\$ 48.42 million) spent in FY 2012–13, according to a study conducted by the Mobile Marketing Association (MMA) in collaboration with media platform, exchange4media. Cheaper smartphones and tablets as well as small and medium businesses utilising mobility solutions for their promotions are some of the factors for this increase in spending. Today, businesses are showing a greater willingness to invest in mobiles as part of their marketing strategy.

Philips India, in association with Electric Lamp and Component Manufacturers Association of India (ELCOMA) will seek to educate consumers about the various advantages of LED lamps. It also plans to inform people about the difference between quality LED lamps and cheaper duplicates. The prices of quality LED products have come down over the last two years and will become more affordable in the near future, according to Mr Sumit Joshi, marketing head of Philips Lighting India.

### **Road Ahead**

Industry body NASSCOM in collaboration with AbsolutData Research and Analytics, has released a report: 'Marketing Analytics – An opportunity for India to Lead' which states that the Indian marketing analytics industry is expected to grow from its present value of US\$ 200 million to US\$ 1.2 billion in 2020, a CAGR of 25 per cent. The report highlights that companies have begun to use marketing analytics insights more and more in order to gain competitive advantage in the market.

<https://www.ibef.org/pages/35650>

### **HOW PERSONALIZATION IS CREATING A NEW IDENTITY IN THE GIFTING INDUSTRY**

Personalization in the gifting industry has been rapidly growing as a growing number of consumers place a premium on purchasing presents that are specifically meant to make loved ones feel special and strengthen personal bonds. Growing digitization, as well as sophisticated manufacturing techniques and technology, have enabled market players to plan, manufacture, and deliver finished items in record time.

According to a report by the market research firm TechSci Research, the gifting market in India is expected to expand from \$119 million in 2019 to \$159 million in 2025. The gifting market is divided into two categories: corporate gifting and personal gifting, with the former accounting for the majority of the market at 80%. The emergence of a digital economy, as well as millennials' rising per capita income, is upsetting the general expansion of the gifting sector in India, providing customers with convenience and happiness by making online buying viable.

Furthermore, rising marketing activities by prominent brands, as well as personalization and customization of present products, are some other drivers of the Indian gifting market. Also strengthening the country's gifting business are features like innovative packaging, personalized notes, initial engraved boxes, and a seamless shopping experience, particularly through online platforms. All these latest advancements have helped the gifting industry rise with leaps and bounds. The gifting market in India is also being driven by increasing digitalization and the adoption of contemporary production methods and technology.

### **Innovations in the gifting industry: The emergence of personalized videos**

With the advent of digital adoption in all sectors of the economy, it is no surprise that the gifting industry has also seen a shift in its trends and preferences. More and more people are drawn towards celebrities because of the stardom, and brands are leveraging this by offering gifting solutions that allow customers to send personalized video messages from their favourite celebrities to their loved ones. These personalized videos are tailored for each viewer and play an important part in the development of trustworthy relationships. Gifts have a sentimental value and receiving a gift that comes with a surprise like a message from your favourite celebrity can enhance the effect of the gift ten folds.



## **The evolution of Indian buyers**

The growth of the Indian customer has played a critical role in bringing about this change, as customers are willing and able to pay for different kinds of gifts. Creative packaging, customized notes, initial engraved boxes, and other factors come together to create a seamless experience that emphasizes care, thanks, and gratitude.

## **Increasing prominence of online retail**

Consumers may now browse and purchase giftable products more easily thanks to the growing popularity of internet retailing. For example, online commerce used to be restricted to photo frames, mugs, and cushions, but now it includes personalized lamps, plants, tiles, calendars, tote bags, scrolls, crystals, and other items. With increased internet penetration, it is projected that a large selection of customized gifts with new design, material, and technology would be available. Gifting has a seasonal aspect to it as well.

## **Factors contributing to the evolution of the market**

The following are some of the elements that have influenced the growth of the personalized gifting market in India:

**Cultural Influence of the West** One of the most important elements driving the growth of personalised giving in India is this. During festivals like Diwali, Christmas, and New Years, larger market players and MNCs have introduced the concept of corporate giving to their staff. Topical holidays such as Mother's Day, Father's Day, and Thanksgiving Day, among others, have boosted the personalised gifting business in India significantly. Customers today have access to a wide range of gifting options that give value and capture an everlasting relationship and moment through the use of a personalized gift token. Even individualised messages have their own allure and consequently demand; for example, during Valentine's Day, the message in a bottle received an incredible amount of orders.

## **Significant rise in the purchasing power of customers**

Consumer purchasing behaviour has shifted as a result of increased purchasing power. Affluent lives and aspirants' recent purchasing needs have resulted in a major shift in consumer purchasing behaviour recently. Individuals are shifting away from standard gifting options and toward unique customised gifting concepts that serve as a symbol or gesture of a personal link between the gift recipient and the giver.

## **Boom of the E-commerce industry**

For more than a decade, India has seen an increase in internet purchasing. The emergence of digitization, increased internet penetration, and effective and well-functioning logistics all contribute to India's e-commerce industry's rise. Clients are now more receptive to broader possibilities online, and even customers from Tier 2 and Tier 3 cities are contributing to the market's total growth. E-commerce provides excellent value to customers in a fast and efficient manner at the lowest possible price.

## **Summing up**

The personalized gifting market in India has a bright future and is on the rise, as India is one of the top rising nations contributing to the global gifting market's growth. The quick growth of this market is also aided by the introduction of modern technologies and improved and secure payment structures.

<https://timesofindia.indiatimes.com/blogs/voices/how-personalization-is-creating-a-new-identity-in-the-gifting-industry/>

## **SERVICE INDUSTRY IN INDIA**

The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment, has contributed significantly to export and has provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

The services sector of India remains the engine of growth for India's economy and contributed 53% to India's Gross Value Added at current prices in FY22 (until January 2022). India's services sector GVA increased at a CAGR of 11.43% to Rs. 101.47 trillion (US\$ 1,439.48 billion) in FY20, from Rs. 68.81 trillion (US\$ 1,005.30 billion) in FY16. Between FY16 and FY20, financial, real estate and professional services augmented at a CAGR of 11.68% (in Rs. terms), while trade, hotels, transport, communication and services related to broadcasting rose at a CAGR of 10.98% (in Rs. terms). India's IT and business services market is projected to reach US\$ 19.93 billion by 2025. Services exports comprise a major part



of the total export from India. According to the RBI, between April-September 2021, India's service exports stood at US\$ 117.6 billion, whereas imports stood at US\$ 65.20 billion.

In February 2022, the Purchasing Managers' Index stood at 51.8, compared with 51.5 recorded in January 2022. The India Services Business Activity Index/ Nikkei/IHS Markit Services Purchasing Managers' Index stood at 55.2 in September 2021, compared with 56.7 in August 2021. In February 2022, the Purchasing Managers' Index stood at 51.8, compared with 51.5 recorded in January 2022.

## **INDUSTRY DEVELOPMENTS**

- Some of the developments in the services sector in the recent past are as follows:
- In October 2021, India's service exports increased by 23.52% to reach US\$ 20.86 billion, while imports stood at US\$ 12.71 billion.
- In June 2021, India's exports increased by 48.34% to US\$ 32.5 billion, marking the seventh consecutive month of growth.
- The Indian services sector was the largest recipient of FDI inflows worth US\$ 88.95 billion between April 2000 and June 2021. The services category ranked 1st in FDI inflow as per data released by the Department for Promotion of Industry and Internal Trade (DPIIT).
- In the first-half of 2021, private equity investments in India stood at US\$ 11.82 billion, as compared with US\$ 5.43 billion in the same period last year.
- In August 2021, the Department of Telecommunications (DoT) issued a letter of intent (LoI) to OneWeb (backed by Bharti Group) for satellite communication services licence.
- In July 2021, Tata Teleservices collaborated with Zoom Video Communications to offer bundled communication services.
- In April 2021, the Ministry of Education (MoE) and University Grants Commission (UGC) started a series of online interactions with stakeholders to streamline forms and processes to reduce compliance burden in the higher education sector, as a follow-up to the government's focus on ease of doing business to enable ease of living for stakeholders.
- By October 2021, the Health Ministry's eSanjeevani telemedicine service, crossed 14 million (1.4 crore) teleconsultations since its launch, enabling patient-to-doctor consultations, from the confines of their home, and doctor-to-doctor consultations.
- In April 2021, Elon Musk's SpaceX has started accepting pre-orders for the beta version of its Starlink satellite internet service in India for a fully refundable deposit of US\$ 99. Currently, the Department of Telecommunications (DoT) is screening the move and more developments will be unveiled soon.
- In December 2020, a cohort of six health-tech start-ups—AarogyaAI, BrainSightAI, Fluid AI, InMed Prognostics, Wellthy Therapeutics, and Onward Assist—have been selected by the India Edison Accelerator, fueled by GE Healthcare. India Edison Accelerator, the company's first start-up partnership programme focused on Indian mentors, creates strategic partners to co-develop healthcare solutions.
- The Indian healthcare industry is expected to shift digitally enabled remote consultations via teleconsultation. The telemedicine market in India is expected to increase at a CAGR of 31% from 2020 to 2025.
- In December 2020, Gamma Skills Automation Training introduced a unique robotics & automation career launch programme for engineers, an 'Industry 4.0 Hands-on Skill Learning Centre' located at IMT Manesar, Gurgaon in Haryana.
- In December 2020, the 'IGNITE' programme was initiated by Siemens, BMZ and MSDE to encourage high-quality training and technical education. 'IGNITE' aims to develop highly trained technicians, with an emphasis on getting them ready for the industry and future, based on the German Dual Vocational Educational Training (DVT) model. By 2024, this programme aims to upskill ~40,000 employees.
- In October 2020, Bharti Airtel entered cloud communications market with the launch of business-centric 'Airtel IQ'.

## **GOVERNMENT INITIATIVES**

- The Government of India recognises the importance of promoting growth in services sector and provides several incentives across a wide variety of sectors like health care, tourism, education, engineering, communications, transportation, information technology, banking, finance and management among others.
- The Government of India has adopted few initiatives in the recent past, some of these are as follows:
- In October 2021, Prime Minister, Mr. Narendra Modi, approved the establishment of 157 new medical colleges to boost accessibility of affordable health treatments among citizens. In October 2021, the government launched a production linked incentive (PLI) scheme to boost manufacturing of telecom and networking products in India. The scheme is expected to attract an investment of ~Rs. 3,345 crore (US\$ 446.22 million) over the next four years and generate additional employment for >40,000 individuals. In October 2021, the government launched phase-II of the Mahatma Gandhi National Fellowship to empower students and boost skill development.
- In October 2021, the PM Ayushman Bharat Health Infrastructure Mission was launched by the government, to strengthen the critical healthcare network across India in the next four to five years. In September 2021, India and the UK joined the 11th Economic and Financial Dialogue (EFD) to discuss the FTA (Free Trade Agreement) opportunities in services. Credit to non-food industries stood at Rs. 110.86 trillion (US\$ 1.49 trillion), as of November 5, 2021. The Indian government is planning to introduce a credit incentive programme worth Rs. 50,000 crore (US\$ 6.8 billion) to boost healthcare infrastructure in the country. The programme will allow companies to access funds to ramp up hospital capacity or medical supplies with the government acting as a guarantor.
- In June 2021, India and Australia announced its collaboration in cyber-enabled critical technologies, highlighting the requirement to boost the critical information security infrastructure such as 5G telecom networks. Under Union Budget 2021-22, the government allocated Rs. 7,000 crore (US\$ 963.97 million) to the BharatNet programme to boost digital connectivity across India. FDI limit for insurance companies has been raised from 49% to 74% and 100% for insurance intermediates.
- In May 2021, the Ministry of Commerce and Industry announced that India received an FDI inflow of US\$ 81.72 billion, the highest FDI during FY 2020-21. In March 2021, the central government infused Rs. 14,500 crore (US\$ 1.99 billion) capital in Central Bank of India, Indian Overseas Bank, Bank of India and UCO Bank through non-interest bearing bonds. On January 15, 2021, the third phase of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) was launched in 600 districts with 300+ skill courses. Spearheaded by the Ministry of Skill Development and Entrepreneurship, the third phase will focus on new-age and COVID-related skills. PMKVY 3.0 aims to train eight lakh candidates.
- In January 2021, the Department of Telecom, Government of India, signed an MoU with the Ministry of Communications, Government of Japan, to strengthen cooperation in the areas of 5G technologies, telecom security and submarine optical fibre cable system. On November 4, 2020, the Union Cabinet, chaired by the Prime Minister, Mr. Narendra Modi, approved to sign a memorandum of understanding (MoU) between the Ministry of Communication and Information Technology and the Department of Digital, Culture, Media and Sports (DCMS) of United Kingdom Government to cooperate in the field of telecommunications/information and communication technologies (ICTs).
- In October 2020, the government selected Hughes Communications India to connect 5,000 village panchayats in border and naxal-affected states and island territories with satellite broadband under BharatNet project by March 2021.
- In September 2020, the government announced that it may infuse Rs. 200 billion (US\$ 2.72 billion) in public sector banks through recapitalisation of bonds. In the next five years, the Ministry of Electronics and Information Technology is working to increase the contribution of the digital economy to 20% of GDP. The government is working to build cloud-based infrastructure for collaborative networks that can be used for the creation of innovative solutions by AI entrepreneurs and startups. On Independence Day 2020, Prime Minister Mr. Narendra Modi announced the National Digital Health Mission (NDHM) to provide a unique health ID to every Indian and revolutionise the healthcare industry by making it easily accessible to everyone in the country. The policy draft is under 'public consultation' until September 21, 2020.
- In September 2020, the Government of Tamil Nadu announced a new electronics & hardware manufacturing policy aligned with the old policy to increase the state's electronics output to US\$ 100 billion by 2025. Under the policy, it aims to meet the requirement for incremental human resource by upskilling and training >100,000 people by 2024.

- Government of India has launched the National Broadband Mission with an aim to provide Broadband access to all villages by 2022.

### **ROAD AHEAD**

- By 2025, healthcare industry is expected to reach US\$ 372 billion. India's digital economy is estimated to reach US\$ 1 trillion by 2025. By end of 2023, India's IT and business services sector is expected to reach US\$ 14.3 billion with 8% growth.
- The implementation of the Goods and Services Tax (GST) has created a common national market and reduced the overall tax burden on goods. It is expected to reduce costs in the long run-on account of availability of GST input credit, which will result in the reduction in prices of services.
- India's software service industry is expected to reach US\$ 1 trillion by 2030.  
(<https://www.ibef.org/industry/services>)

## **OUR BUSINESS**

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page no. 28 of this Red Herring Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “**Risk Factors**” and the chapters titled “**Financial Statements as Restated**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page no 28, 152 and 153 of this Red Herring Prospectus.

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

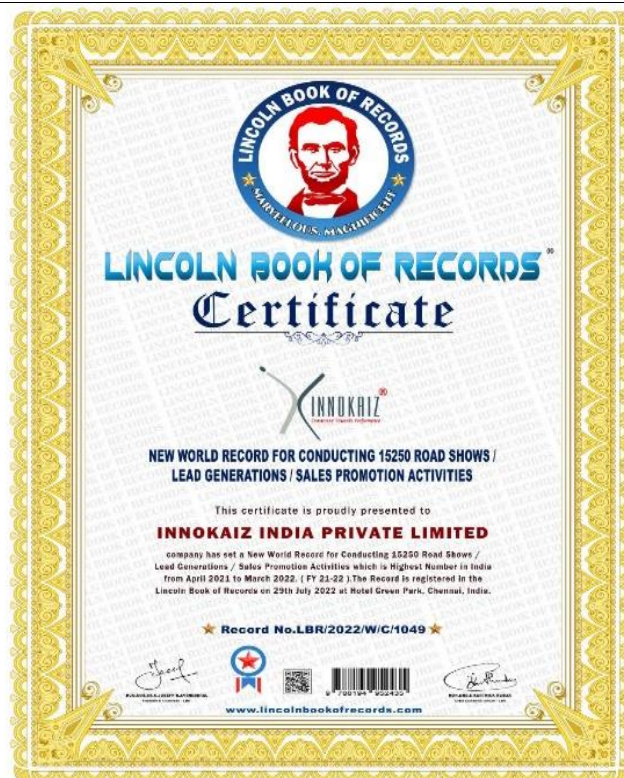
### **OVERVIEW**

We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc. Recently, we have also ventured into new business vertical i.e., E-Commerce Business. Our team of experienced and dedicated professionals provide services and solutions that are at the forefront of industry best practice. We thrive to provide the highest level of services on every assignment and to provide best-in-class and cost-effective services and solutions to our clients.

Our Company is promoted by Mr. Sukumar Balakrishnan, who is the guiding force behind all the strategic decisions of our Company and has been an anchor to our company since incorporation. He has a vast corporate and entrepreneurial experience and the frontline force behind the company. In addition to our individual Promoter, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe that the stability of our management team and the industry experience of our individual Promoter will enable us to continue to take advantage of future market opportunities and expand into newer markets.

Our Company was incorporated in the name of Innokaiz India Private Limited on January 11, 2013 and since inception we have successfully scaled up our capabilities and evolved as one stop solution for various corporate needs. Our exhaustive client list is the proof of our excellence in reliability of service and quality of products.

### **OUR CERTIFICATIONS AND ACCREDITATIONS**



## OUR VISION

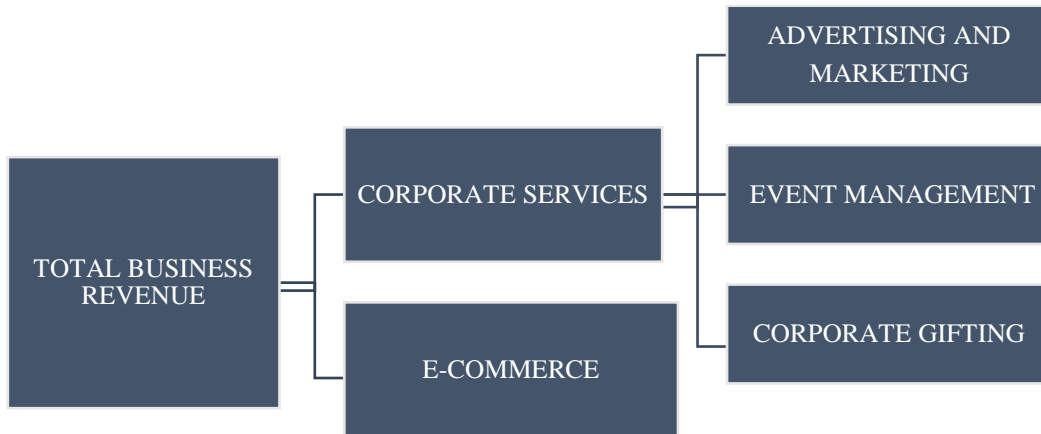
Our vision is to get recognized nationally as the most innovative, dedicated, and productive marketing communications brand in India. Our vision is also to provide a level of excellence to our clients that surpasses their highest expectations.



**OUR MISSION**

Our aim is to provide best-in-class marketing communications counsel and services to our clients. At the same time, we intend to create an organization that will be able to attract and retain exceptionally talented individuals and working together to become one stop solution for various corporate needs.

Our revenue model is summarized as below



**Our spectrum of services:**

We work closely with our clients to develop tailored services and solutions and provide consistent, reliable and client focused services and solutions. Our unique one stop service model is divided into following categories:

**1. ADVERTISING AND MARKETING SERVICES**

We carefully analyze all the best digital channels for your business and include it in our digital marketing strategy. We combine exceptionally innovative ideas and powerful technologies to reach maximum viewers. We engage with your customers and create sustainable relationship with them that will improve brand loyalty. Every engagement is unique & every digital channel is different. We provide the services at outdoor Bus Shelters, Arch, Police Booth, General Booth, Pole Kiosk, Signal Post, Temp Hoarding, Sun Pack flute Board, Backdrop, Banners, Road show, Mobile Van, Etc. In signage we provide Backlit Board, Nonlit Board, ACP Pylon, Acrylic Boards, Cutout, Standee, Etc.

For a Digital Marketing Campaign to be successful, different channels that reaches your customers has to be employed. We at Innokaiz carefully analyze all the best digital channels for the businesses and include it in our digital marketing strategy. Our strategy is simple - identify your potential customers online and turn them into your customers and eventually brand advocates.

**Outdoor Advertisements**





# SIGNAGE



**OUR COMPANY ALSO PROVIDES DIGITAL MARKETING SERVICES**

- SEO:** Creating that perfectly optimized world for your brand to live in and top the searches is a craft that our team excels in. From Keywords Analysis & Meta Tags Analysis to Google My Business Optimization, Mobile Site Optimization, Page Speed Optimization, Website Traffic Monitoring, Website Traffic Monitoring, A/B Testing, Analytics Integration, Link Building, Site Audit & Performance Audit, we have got the works to make your brand omnipresent.



- **UI/UX:** Engaging User Interfaces and delighting User Experiences are what our design team delivers. The excitement that any user of your website experiences is maintain across the digital space be it a landing page design, animation, emailer, interactive brochure, interactive application.
- **CONTENT MARKETING:** Content that sells is the strategy we follow. Whether you are a jeweller, baker, IT or IoT business, F&B speciality, banks or other financial institutions, holiday company. We develop tailor-made content and content marketing solutions to help with your business agenda.
- **WEB DEVELOPMENT:** We are PHP, Joomla, Magento, WordPress, Drupal specialists. Our very talented team of web mavericks create websites that are user friendly, different by design and apt for the brand. Website creation, migration and maintenance, domain registration and hosting, setting up e-commerce portals, shopping cart & payment gateway. We have quite the team in the web department to help you showcase an enhanced web experience to your clientele.

## 2. Event Management

We are into the business of organising and managing all the requirements for Corporate Events including Meetings, Incentive Programs and Conferences, Exhibitions (MICE). We handle the Corporate Events with flawless perfection. Events are critical part of every corporate marketing and branding plans. We have expertise in changing any idea into an event. Our team handles event execution in accordance with the budget of the client and expectations without any scope of error right from travelling arrangement to providing gifts etc. Driven by our core values, our hands-on knowledge of every aspect of MICE, we constantly strive to ‘Add Value’ to events of our clients.

We are engaged in MICE programs with an unblemished track record of almost 2000 events of various magnitudes already under our belt. We arrange events for the Banking, Insurance, Asset Management Companies, etc. Our team understands that a properly executed event can be leveraged to support client’s strategic vision, or used to build networks and loyalty.

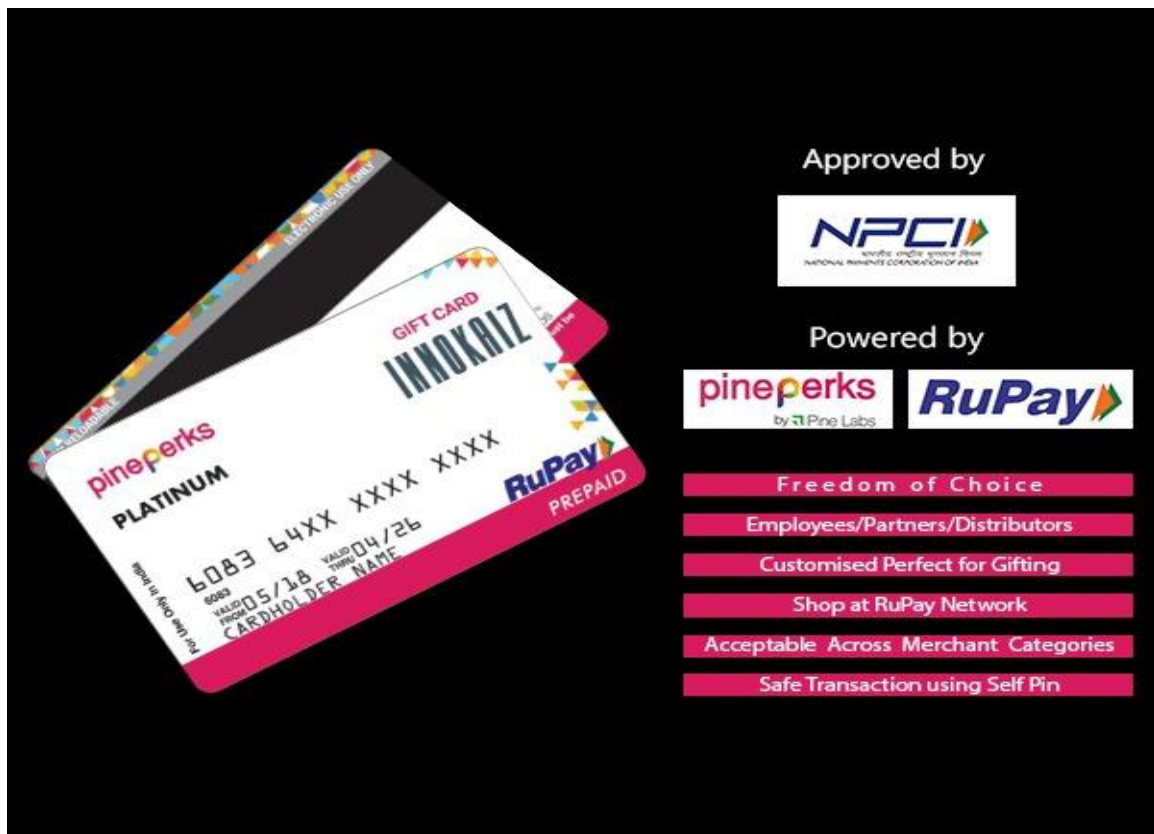


### 3. Corporate Gifting

Corporates have relied on the power of gifting to secure better relationships with potential and existing clients and employees. When used as part of overall marketing or employee retention efforts, gifting can be highly effective. One of the best ways to encourage employee engagement and loyalty is through employee gifting and rewards and recognition. HR policies are often directed towards appreciating talent in way of celebratory gifting during festive times or through performance awards with the intention to strengthening the relationships.

We have an expertise in providing gifting solutions suitable for all kind of corporate needs. Innokaiz is a one stop solution for entire gifting solutions of corporates with impressive and unique and collection and innovative ideas. We also provide customised solutions suitable to all occasions including personalization and providing logo printing as per designs. It is the perfect way to welcome, thank clients employees and business associates and promote business of our clients.

Our unique gifting solution include Gift Vouchers



### E - Commerce

Ecommerce web development has turned out to be a necessity and is not just used for driving greater amount of traffic. Over the years, Innokaiz has gathered the experience to work on all online business requirements. We are one of the pioneered companies offering effective and effectual e-commerce solutions. Having great appreciation for web development and designing our talented and skilled experts update themselves from time to time with the latest trends and technologies. Our experts create customized e-commerce website for the promotion of your brand. We make sure that your business is able to gather traffic and retain them.

In 2022, the Indian e-commerce market is predicted to increase by 21.5%, reaching US\$ 74.8 billion. E-commerce has transformed the way business is done in India. The Indian E-commerce market is expected to grow to US\$ 188 billion by 2025 from US\$ 46.2 billion as of 2020. By 2030, it is expected to reach US\$ 350 billion. India's e-commerce market is expected to reach US\$ 111 billion by 2024 and US\$ 200 billion by 2026. Much of the growth for the industry has been triggered by an increase in internet and smartphone penetration. The number of internet connections in 2021 increased significantly to 830 million, driven by the 'Digital India' programme. Out of the total internet connections, ~55% of connections were in urban areas, of which 97% of connections were wireless.

After a difficult year due to the outbreak of the pandemic, there has been a v-shaped recovery in Indian businesses in 2021. As a result, the Indian advertising industry witnessed a recovery in ad spends to reach a market size of Rs. 70,715

crores at a growth of 18.6% compared to 2020. The industry is expected to reach Rs 93,119 crore by the end of 2023, growing at a CAGR of 14.75%, according to the latest report released by dentsu India.

## **IMPACT OF COVID-19 ON OUR BUSINESS**

In late 2019, a novel strain of coronavirus (“COVID-19”) emerged and by March 11, 2020, it was declared a global pandemic by the World Health Organization. The spread of COVID-19 and the recent developments surrounding the global pandemic have had, and may continue to have, repercussions across local, national and global economies and financial markets. On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. While the recently commenced vaccination drive in India is a positive development, the COVID-19 pandemic has affected and is expected to continue to affect our business and operational performance in the near future. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have reacted by taking measures, such as instituting quarantines, restricting travel, prohibiting people from assembling in heavily populated areas, issuing lockdown orders and restricting the types of businesses that may continue to operate, ‘stay-at-home’ orders, and enforcing remote working regulations. These measures have led to a significant decline in economic activities, and has had and is having an unprecedented effect and a significant negative impact on the global travel industry. An individuals’ ability to travel has been curtailed through border closures across the world, mandated travel restrictions and limited operations of hotels, airlines, bus and railways, and may be further limited through additional voluntary or mandated restrictions on travel. The measures implemented to contain the COVID-19 pandemic have had, and are expected to continue to have, a significant negative effect on our business, financial condition, results of operations, cash flows and liquidity position. Further, no prediction can be made of when any of the restrictions currently in place will be relaxed or when further restrictions will be announced. Although some governments are beginning to ease or lift such restrictions, the impacts from the severe disruptions caused by the effective shutdown of large segments of the global economy remain unknown.

## **OUR LOCATIONS**

<b>Registered Office &amp; Corporate Office</b>	Door No 43, Old No 22, Real Enclave, Flat No 1, 4th Floor, Josier Street, Nungambakkam, Chennai - 600034, Tamil Nadu, India
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## **OUR COMPETITIVE STRENGTHS**

### **Experience and Track Record**

We have successfully executed several large projects for various banks, insurance companies, Asset Management Companies, etc. in the last decade throughout the length and breadth of the country.

### **Experienced Promoter and Management team**

We have an experienced Promoter and management team in the Company. Further to this they are assisted by an experienced, committed and loyal management team comprising professionals having a sound and adequate knowledge of technical, finance and administration activities in the Service Sector. We also have panel of industry experts acting as advisors for efficiently organizing and managing project work. Our promoters’ industry knowledge and vision also gives us the competitive advantage. Our promoter is the guiding force behind the operational and financial decision of our company. Our promoter is responsible for the entire business operations of the company along with an experienced team of professional who assist them.

### **Established relationship with existing customers**

We have developed strong and sustaining relationships with our clients. We work closely with the leading Banks, Insurance Companies and Asset Management Companies in the country. Our experience and track record of innovative and cost-effective solutions, delivering timely services to our customers consistently has helped us nurture long-term relationships with them. We have a history of high customer retention and derive a significant proportion of our revenue from repeated business.

### **Comprehensive Marketing Services**

We have PAN India presence. We are providing end to end comprehensive services to our clients for their various corporate needs. Our experienced team work hand-in hand with customers to serve them and ensure delivery as per schedule and quality.



## **Client Focus**

We are a client focused company. We intend to offer end to end marketing solution catering to our clients' requirements. We believe that our range of service and product offerings help our clients achieve their business objectives and enable us to obtain additional business from existing clients. Our Company is dedicated towards quality of our services and we adhere to quality standards as prescribed by our clients.

## **Progressive Employer**

Our Company is continuously focused on creating an engaging atmosphere for our Employees to learn, contribute and grow. We nurture a sense of equality among our team members and offer them ample opportunities to pursue their passion and grow. There is an active team that creates opportunities for enjoyment and cheerfulness for employees even while working. We believe in timely compliance of all statutory payments especially related to employees. Our company ensures a safe environment, dignity and respect for all our employees irrespective of gender, religion, caste.

## **BUSINESS STRATEGY**

### **Focus on Increase in Volume of Sales**

As a part of our growth strategy, we intend to increase sales volume through diversification of services offered and spread in geographical outreach. We believe that our growth in market can fetch us new business expansion and opportunities. We are currently providing services majorly to Banks, Insurance Companies, Asset Management Companies. Our emphasis is on scaling of our operations by increasing client base shall provide us with attractive opportunities to grow.

### **Enhance performance of existing business**

We intend to utilize our various skills i.e., providing cost effective and innovative solutions and timely delivery to access the growing demand of market. We plan to use our expertise to get larger orders and deploy our resources more efficiently and improve margins. We believe that the cost effective and innovative ideas are key to the success of our business. Our ability to assist customers in meeting their goals will contribute to our success. We intend to continue to focus on customer service with emphasis on increasing efficiency and effectiveness. We expect that with our skillsets we will be able to generate more business enabling optimum utilization of our resources.

### **Leveraging our market skills and relationship to serve existing clients**

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

### **Increasing the number of Clients**

We are focused on increasing the number of clients and by leveraging our market skill to service our clients. Our strategy is to increase the number of clients by building new relationships and then leverage those client relationships into offering in a whole suite of services. We believe that increased number of client relationships will add stability to our earnings. As a part of this we also plan to strengthen our sales team to bring in new client relationships to leverage our existing offerings.

### **Building-up as a Professional Organisation**

We intend to run the organisation as a professional organization. We believe in transparency, commitment and coordination in our work, with all our stakeholders. We have the right blend of experienced and dynamic team and staff which takes care of our day-to-day operations.

### **Continue to attract and retain talent**

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

## Strategic Acquisition and Alliance Opportunities

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

### SWOT ANALYSIS

Strengths	Threats
<ul style="list-style-type: none"> <li>Experienced Team</li> <li>Assured Payments from Clients</li> <li>Steady Growth</li> <li>Strong financial credentials</li> </ul>	<ul style="list-style-type: none"> <li>Rising Competition</li> <li>Legal and Regulatory restrictions</li> <li>Low entry barriers</li> </ul>
Weakness	Opportunities
<ul style="list-style-type: none"> <li>Leadership limitations such as lack of self-awareness</li> <li>Unregulated and unplanned growth</li> </ul>	<ul style="list-style-type: none"> <li>Broaden our geographical reach</li> <li>Attract new customers through special offers</li> <li>Grow customer loyalty / retention</li> </ul>

### COLLABORATIONS

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

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

#### Infrastructure Facilities

Our registered office is situated at Door No 43, Old No 22, Real Enclave, Flat No 1, 4th Floor, Josier Street, Nungambakkam, Chennai - 600034, Tamil Nadu, India. Our registered office 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.

#### Power

We have arrangements for regular power supply at our registered office. This power is being supplied to us from Tamilnadu Generation and Distribution Corporation at our registered office.

#### Water

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

### EXPORT AND EXPORT OBLIGATIONS

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

### CAPACITY AND CAPACITY UTILIZATION

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 RESOURCE

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

As on date of filing of this Red Herring Prospectus, we have 35 employees in our company. We have not experienced any material strikes, work stoppages, labour disputes or actions by or with our employees, and we consider our relationship with our employees to be good. And all the employees who are employed in their respective departments also work with integrity to make sure the operation the company are fulfilled and the targets the company has set are achieved.



## MARKETING AND DISTRIBUTION STRATEGY

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

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

- Introduce our company by sending introductory letters alongside our brochure to individuals, corporate organizations.
- Visiting Existing as well as Prospective clients.
- Encourage word of Mouth marketing from loyal & satisfied customers.
- Generating references thru Industry experts.
- Fully functional and self-explanatory web portal (www.innokaizindia.com)
- We are in the era of digitalization; hence our company aims at creating visibility through all digital media channels.
- Advertise our business in relevant business magazines and newspapers.
- Attend and participate in relevant international and local expos, seminars, and business fairs.
- Engage direct marketing approach.


## PROPERTIES

### Properties taken on rent by the Company

Sr. No	Location	Name of Lessor	Document and Date	Rent (In Rs) (per month)	Period of Agreement		Usage
					From	To	
1.	Door No 43, Old No 22, Real Enclave, Flat No 1, 4th Floor, Josier Street, Nungambakkam, Chennai - 600034, Tamil Nadu, India	H. Sayed Ahmed Sha and H. Hameed Mohamed Thajir	November 01, 2012	23,650	June 01, 2022	May 31, 2023	Registered Office

## INTELLECTUAL PROPERTY RIGHTS

We have applied for registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application Number	Date of Application	Validity / Renewal	Registration Status
1		Device	35	Innokaiz India Private Limited	2515452	April 17, 2013	April 16, 2023	Registered

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks / copyrights / patents etc.

## COMPETITION

We face competition from other players in the same industry throughout the country. As we also propose to enter into new location. We are likely to face additional competition from those who may be better capitalized their resources.

Our Strength are our experience and our track records that the company has successfully executed several large projects for Coal Trading in the last two years and achieved the goodwill and confidence of the clients. We firmly believe that in spite of intense competition, we can create a space for ourselves by offering our clients the best services and will be able to get their support and confidence in future as well.

## INSURANCE DETAILS:

Sr. No.	Type of Policy	Sum Assured	Insurance Company	Policy No.	Valid from & Valid till
1.	Digit Private-Car Standalone Own Damage Policy	₹ 18,04,800	Go Digit General Insurance Limited	D087615842 / 17122022	December 18, 2022 to December 17, 2023
2.	Private Car Policy	₹ 20,13,430	Liberty General Insurance	20115004012180018 0700000	December 18, 2021 to December 17, 2023

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, we are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of integrated facilities management services industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Statutory Approvals**” beginning on page number 175 of this Red Herring Prospectus.

### **APPLICABLE LAWS AND REGULATIONS**

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

##### ***The Micro, Small and Medium Enterprises Development Act, 2006***

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (“MSME”) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951. As per the revised classification via Notification no. CG-DL-E-01062020-219680 applicable w.e.f. from July 1, 2020, an enterprise would be classified as : “**micro enterprise**”, where the investment in plant and machinery or equipment does not exceed one Crore rupees and Turnover does not exceed five Crore rupees; “**Small enterprise**”, where the investment in plant and machinery or equipment does not exceed ten Crore rupees and Annual Turnover does not exceed fifty Crore rupees; or a “**medium enterprise**”, where the investment in plant and machinery or equipment does not exceed fifty Crore rupees and the Annual Turnover does not exceed Two hundred and Fifty Crore rupees.

##### ***Tamil Nadu Shops and Establishment Act, 1947***

The Act regulates the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **INDUSTRY-SPECIFIC REGULATIONS**

#### ***Consumer Protection Act, 1986***

This act seeks to provide better protection of interests of the consumers and for that purpose to make provision for establishment of consumer councils and other authorities for the settlement of consumer disputes and for matters connected therewith. It seeks to promote and protect the rights of consumers. To provide steady and simple redressal to consumer disputes, a quasi-judicial machinery is sought to be set up at the district, state and central levels. The quasi-judicial bodies will observe the principles of natural justices and have been empowered to give relieves of a specific nature and to award wherever appropriate compensation to consumers. Penalties for non-compliance of the orders given by the quasi-judicial bodies have also been provided.

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

The Information Technology Act, 2000 regulates and governs the communications made and services provided in the electronic form. It provides legal recognition to transactions carried out by means of electronic data interchange and other means of electronic communication. The IT Act prescribes punishment for publication of, obscene and offensive materials

through electronic means. The Information Technology (Amendment) Act, 2008, which amended the IT Act, gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third-party information liability. Further, under Section 69A of the IT Act and the Information Technology (Procedure & Safeguards for Blocking for Access of Information by Public) Rules, 2009, directions can be issued by the Government or intermediary, blocking public access to any information generated, transmitted, retrieved, stored or hosted in any computer resource.

## **ANTI-TRUST LAWS**

### ***Competition Act, 2002***

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

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

## **GENERAL CORPORATE COMPLIANCE**

### ***The Companies Act, 1956 and the Companies Act, 2013***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 (and the amendments thereof) is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

## **EMPLOYMENT AND LABOUR LAWS**

### ***Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees Provident Fund Scheme, 1952***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

### ***The Employees Compensation Act, 1923***

The Employees Compensation Act, 1923 ("EC Act") (and the amendments thereof) provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the EC Act, the amount of compensation to be paid depends on the nature and severity of the injury. The EC Act also lays down the duties / obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death / serious bodily injury.

### ***Employees Deposit Linked Insurance Scheme, 1976***

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

### ***The Employees' Pension Scheme, 1995***

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

### ***Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

### ***Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972 shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf.. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

### ***Minimum Wages Act, 1948***

The Minimum Wages Act, 1948 ("MWA") came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

### ***Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months' notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

### ***Equal Remuneration Act, 1979***

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters

connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### ***Child Labour Prohibition and Regulation Act, 1986***

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

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

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

### ***Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957***

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

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

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

### ***The Code on Wages, 2022***

The Code on Wages, 2022 (The “Code”) seeks to amend, consolidate and regulate the laws relating to wage and bonus payments in all employments and matters connected therewith or incidental thereto and aims at providing equal remuneration to employees performing work of a similar nature in every industry, trade, business or manufacture. The Code subsumes and repeals the provisions of four statutes -- the Payment of Wages Act, 1936 which ensures that payment of wages to employees are disbursed on time and no undue deductions are made, the Minimum Wages Act, 1948 which enables fixing of minimum rates of wages in certain employments, the Payment of Bonus Act, 1965 which provides for payment of bonus to persons employed in certain establishments on the basis of profit or productivity, and the Equal Remuneration Act, 1976 which aims to mandate equal remuneration to prevent gender discrimination in employment matters. Further, the Ministry of Labour and Employment has also notified the Draft Code on Wages (Central) Rules, 2020 under the Code.

29 Labour Laws have been codified into 4 Labour Codes. The Wage Code in which the Central Government has amalgamated 4 laws for ensuring workers’ right to minimum wages, the Social Security Code comprising of 9 laws, the Occupational Safety, Health and Working Conditions Code, 2020 comprising of 13 laws and the Industrial Relations Code with 3 laws. These labour reforms will enhance ease of doing business in the country.



The Code on Wages shall come into force on such date as may be prescribed by the Central Government by way of a notification of the Official Gazette.

## **TAX RELATED LEGISLATIONS**

### ***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 30th September of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Fringe Benefit Tax, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

### ***Goods and Service Tax (GST)***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature / Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition, a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products.

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

### ***Professional Tax***

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

## **INTELLECTUAL PROPERTY LEGISLATIONS**

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

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- Design Act, 2000

### ***Indian Patents Act, 1970***

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

### ***The Copyright Act, 1957***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### ***Trade Marks Act, 1999***

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### ***Designs Act, 2000***

The Design Act, 2000 came into force in May 2001 to consolidate and amend the law relating to protection of designs. A design refers to the features of shape, configuration, pattern, ornamentation or composition of lines or colours applied to any article, in two or three dimensional or both forms. In order to register a design, it must be new and original and must not be disclosed to the public anywhere in India or any other country by publication in tangible form or in any other way prior to the filing date. A design should be significantly distinguishable from known designs or combination of known designs in order for it to be registerable. A registered design is valid for a period of 10 years after which can be renewed for a second period of 5 years, before the expiration of the original period of 10 years. After such period the design is made available to the public by placing it in the public domain.

## **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000 and Sale of Goods Act 1930 are also applicable to the company.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

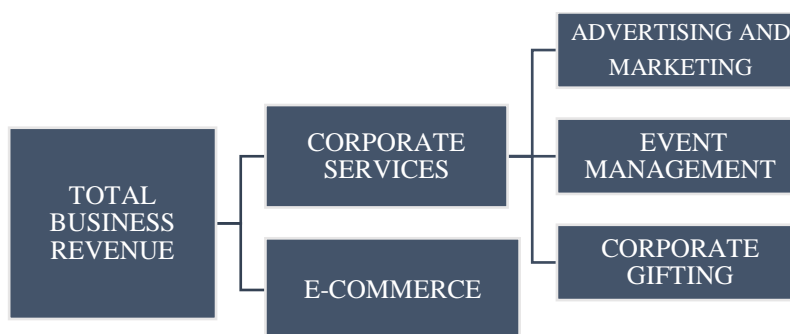
### **BRIEF HISTORY AND CORPORATE PROFILE**

Our Company was originally incorporated on January 11, 2013 as a Private Limited Company as “Innokaiz India Private Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands. Subsequently, pursuant to a Special Resolution of our Shareholders passed in the Extra-Ordinary General Meeting held on August 26, 2022 our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Innokaiz India Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 27, 2022 by the Registrar of Companies, Chennai. The Corporate Identification Number of our Company is U74900TN2013PLC089349. For details in relation to the incorporation, Registered Office and other details, please refer to the chapter titled “*Our History and Certain Other Corporate Matters*” beginning on page 145 of this Red Herring Prospectus.

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

Our Company is promoted by Mr. Balakrishnan Sukumarbalakrishnan.

We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc. Recently, we have also ventured into new business vertical i.e., E-Commerce Business. Our team of experienced and dedicated professionals provide services and solutions that are at the forefront of industry best practice. We thrive to provide the highest level of services on every assignment and to provide best-in-class and cost-effective services and solutions to our clients.



For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Financial Statements as Restated*”, and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 104, 152 and 153 respectively of this Red Herring Prospectus.

### **ADDRESS OF REGISTERED OFFICE**

Our company’s registered office situated at Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India.

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

There have been no changes in the Registered office of the Company from Incorporation till date.

### **MAJOR EVENTS AND MILESTONES**

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

Calendar Year	Particulars
2013	Incorporation of our company in the name and style of “Innokaiz India Private Limited”
2020	Company achieved a turnover of ₹ 100+ crores.
2022	Our company made a world record for conducting 15,250 road shows / lead generations / sales promotion activities and was recognized by Lincoln Book of Records for the same.
2022	Conversion of our Company from Private Limited Company to Public Limited Company and Change of name of Company to Innokaiz India Limited

## MAIN OBJECTS OF OUR COMPANY

The object clause of the Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised in the present Issue.

Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The main object of our Company is:

- To carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, trading and / or otherwise dealing in any manner whatsoever in all type of goods especially office and commercial supplies, on retail as well as on wholesale basis or elsewhere.
- To Carry on the business in retails, Wholesale and Institutional distributor of FMCG, Consumer Electronics, Home Appliances, Kitchen appliance, Digital and IT Products, Gadgets, Business equipment including Office Supplies, Stationery and gift articles via showroom ITes, e-Commerce and online or through network.
- To carry on the business of marketing, communication, branding, promotions, event management, procuring designing, selling and distribution of materials, bulletin, periodicals or any other material in print / electronic media with the object of educating / spreading awareness, data emailing or dealing in any marketing and dissemination of information activities, both in internal and external markets on its own or through network.
- To carry on the business of Business process outsourcing, consulting and management services via Information Technology, E-Commerce, Online for Individual, Corporate in India and Abroad.
- Providing Human Resource Services Including Recruitments, Staffing, Training and Development of Personnel in all Fields of activities

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY

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

Date of Meeting	Meeting	Nature of Amendment
November 26, 2013	EGM	<b><u>Alteration in Object Clause:</u></b> Alteration of object clause of the company by way of inclusion of objects, and deletion of earlier object clause.
November 28, 2019	EGM	<b><u>Alteration in Object Clause:</u></b> Alteration of object clause of the company by way of inclusion of objects, and deletion of earlier object clause.
March 24, 2022	EGM	<b><u>Subdivision of Face Value of Share:</u></b> Subdivision of face value of ₹ 100.00 each into face value of ₹ 10.00 each:  The Company subdivided shares of face value of ₹ 100.00 each into face value of ₹ 10.00 each
April 27, 2022	EGM	<b><u>Increase in Authorised Capital:</u></b> Increase in Authorised Capital from ₹ 1,00,000 to ₹ 11,00,00,000, The Company increased its Authorised Capital from ₹ 1,00,000 to ₹ 11,00,00,000 vide Ordinary Resolution.
August 26, 2022	EGM	<b><u>Alteration of Name Clause:</u></b> Alteration of name clause by way of conversion of company from Public Limited to Private Limited i.e., Change of name from “ <b><i>Innokaiz India Private Limited</i></b> ” to “ <b><i>Innokaiz India Limited</i></b> ”.

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

Our Company has not made any material acquisitions or divestments of any business or undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

## **DETAILS REGARDING HOLDING / SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE**

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

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

We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc and hence capacity creation and related information is not applicable to us.

## **GUARANTEES PROVIDED BY OUR PROMOTER**

As on the date of this Red Herring Prospectus, no guarantee has been issued by Promoter except as disclosed in the “*Statement of Financial Indebtedness*” on page 165 of this Red Herring Prospectus.

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

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

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

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

## **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

## **TIME AND COST OVER RUNS**

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

## **SHAREHOLDERS’ AGREEMENTS**

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

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT OR A DIRECTOR OR PROMOTER OR ANY OTHER EMPLOYEE OF THE COMPANY**

Except as mentioned in Chapter titled ‘*Our Management*’ beginning on page 125 of this Red Herring Prospectus, there are no agreements entered into by key managerial personnel or Senior Management or a Director or Promoter or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Red Herring Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled ‘*Our Business*’ beginning on page 104 of this Red Herring Prospectus.

## **STRATEGIC PARTNERS**

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

## **FINANCIAL PARTNERS**

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



## OUR MANAGEMENT

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

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

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

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Mr. Balakrishnan Sukumarbalakrishnan</p> <p><b>DOB:</b> July 26, 1977</p> <p><b>Age:</b> 45 Years</p> <p><b>Qualification:</b> Diploma in Mechanical Engineering</p> <p><b>Designation:</b> Managing Director</p> <p><b>Address:</b> No. 104 / 39, Jothi Ramalingam Street, New Kamaraj Nagar, Perambur, Chennai- 600011, Tamil Nadu, India</p> <p><b>Occupation:</b> Business</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 06464374</p> <p><b>Term:</b> Re-appointed as Managing Director of the Company for a period of 5 years w.e.f. June 29, 2022 upto June 28, 2027</p>	<p>Appointed as Managing Director w.e.f. January 11, 2013</p> <p>Reappointed as Managing Director of the Company for a period of 5 years w.e.f. June 29, 2022 upto June 28, 2027.</p>	<p><b>Companies</b></p> <p>a) Taiyangxi Properties &amp; Infrastructure Private Limited</p> <p>b) Fuehrer Capital Private Limited</p> <p>c) Brainstorm Automotive Private Limited</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p>Mr. Selvaraj Durairaj</p> <p><b>DOB:</b> September 05, 1985</p> <p><b>Age:</b> 37 Years</p> <p><b>Qualification:</b> Higher Secondary Education</p> <p><b>Designation:</b> Executive Director</p> <p><b>Address:</b> 97 / 87, Puchammal Street, New Washermenpet, Tondiarpet, Chennai-600081, Tamil Nadu, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 08181614</p> <p><b>Term:</b> Liable to retire by rotation</p>	<p>Appointed as Additional Non-Executive Director w.e.f. July 14, 2018.</p> <p>Further, Regularised as Executive Director w.e.f. September 30, 2018</p>	<p><b>Companies</b></p> <p>a) Taiyangxi Properties &amp; Infrastructure Private Limited</p> <p>b) Brainstorm Automotive Private Limited</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p>Mr. Kesavapathy</p> <p><b>DOB:</b> January 09, 1963</p> <p><b>Age:</b> 60 Years</p> <p><b>Qualification:</b> NA</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Address:</b> 39 / 104, Jothi Ramalingam Street, New Kamaraj Nagar, Vysarpadi, Chennai- 600039, Tamil Nadu, India.</p> <p><b>Occupation:</b> Professional</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09623665</p> <p><b>Term:</b> Liable to retire by rotation</p>	<p>Appointed as Non-Executive Director of the Company w.e.f. June 29, 2022</p>	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p>Ms. Sivagami R</p> <p><b>DOB:</b> July 19, 1992</p> <p><b>Age:</b> 30</p> <p><b>Qualification:</b> Bachelor of Arts in Historical Studies</p> <p><b>Designation:</b> Independent Director</p> <p><b>Address:</b> 61/82, Kasturibai Colony, A Block, Kannigapuram, Perambur Barracks, Chennai- 600012, Tamil Nadu, India</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09725967</p> <p><b>Term:</b> Appointed as Independent Director of the Company for a period of 5 years w.e.f. September 06, 2022</p>	<p>Appointed as Independent Director of the Company w.e.f. September 06, 2022</p>	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>
<p>Mr. Ramamoorthy Kumaresan</p> <p><b>DOB:</b> April 10, 1985</p> <p><b>Age:</b> 38 years</p> <p><b>Qualification:</b> Bachelor of Arts in Economics</p> <p><b>Designation:</b> Independent Director</p>	<p>Appointed as Independent Director of the Company w.e.f. June 29, 2022.</p>	<p><b>Companies</b></p> <p>Nil</p> <p><b>Limited Liability Partnerships</b></p> <p>Nil</p>

Name, Father's / Husband's Name, Age, Designation, Address, Occupation, Nationality, DIN and Term	Date of Appointment / Reappointment	Other Directorships / Designated Partners
<p><b>Address:</b> No. 29 / 16, Doss Nagar 1st Street, Kanikapuram, Perambur, Chennai-600012, Tamil Nadu, India</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>DIN:</b> 09623655</p> <p><b>Term:</b> Appointed as Independent Director of the Company for a period of 5 years w.e.f. June 29, 2022 upto June 28, 2027.</p>		

### BRIEF PROFILE OF OUR DIRECTORS

**Mr. Balakrishnan Sukumarbalakrishnan**, aged 45 years, is the Founder, Promoter and Managing Director of our Company. He is the Director of the Company since Incorporation of the Company. He was later reappointed as Managing Director with effect from June 29, 2022. He has a Diploma in Mechanical Engineering from State Board of Technical Education & Training, Tamil Nadu completed in the year 1995. He has more than 9 years of experience. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

**Mr. Selvaraj Durairaj**, aged 37 years, is the Executive Director of the Company. He was appointed as Additional Director of our Company with effect from July 14, 2018, later was regularised to Executive Director w.e.f. September 30, 2018. He has been associated with company since its incorporation. He has more than 9 years of experience. He has been responsible for the sales and marketing. His expertise has led the company grow since its incorporation. Currently, he is Director of the Company and operations head and over sees the execution of each service of the company.

**Mr. Kesavapathy**, aged 60 is the Non-Executive Director of our Company. He was appointed as Non-Executive Director with effect from June 29, 2022. His role in the company includes overseeing whether company's programmes are being executed in right direction as per its aim and objectives, recommending business policies to the board governing the company, establishing long-term business plans for supporting the vision and values of the company.

**Ms. Sivagami R**, aged 30 is appointed as an Independent Director of our company with effect from September 06, 2022 for a period of 5 years. She has completed his Degree of Bachelor of Arts in Historical Studies from University of Madras in the year 2019. She has experience in the area of keeping the company up-to-date with latest business trends, developing better business techniques and practices.

**Mr. Ramamoorthy Kumaresan**, aged 38 is appointed as an Independent Director of our company with effect from June 29, 2022 for a period of 5 years ending on June 28, 2027. He has completed his Degree of Bachelor of Arts in Economics from University of Madras in the year 2007. He is guiding the Company with his Independent view and impartial opinion.

### CONFIRMATIONS

- None of the Directors, Key Managerial Personnel and Senior Management 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 others, pursuant to which any of the Directors or Key Managerial Personnel or Senior Management were selected as a Director or Member of Senior Management.

- c) There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- d) As on the date of this Red Herring Prospectus, none of our directors are on the RBI List of wilful defaulters or Fraudulent Borrowers.
- e) As on the date of this Red Herring Prospectus, none of our Directors are Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- f) As on the date of this Red Herring Prospectus, none of our director is or was a director of any listed Company during the last 5 (five) years preceding the date of this Red Herring Prospectus, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- g) As on the date of this Red Herring Prospectus, none of our director is or was a director of any listed Company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- h) As on the date of this Red Herring Prospectus, none of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- i) No proceedings / investigations have been initiated by SEBI against any Company, the Board of Directors of which also comprises any of the Directors of our Company.

## REMUNERATION / COMPENSATION TO OUR DIRECTORS

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force). Set forth below is the remuneration payable by our Company to our Directors for a financial year:

<i>(₹ in Lakh)</i>		
Sr. No.	Name of Director	Remuneration shall not exceed
1.	Mr. Balakrishnan Sukumarbalakrishnan	60.00
2.	Mr. Selvaraj Durairaj	18.00
	<b>Total</b>	<b>78.00</b>

Remuneration paid for F.Y. 2021-22, the directors have been paid gross remuneration as follows:

<i>(₹ in Lakh)</i>		
Sr. No.	Name of Director	Remuneration paid
1.	Mr. Balakrishnan Sukumarbalakrishnan	63.75
2.	Mr. Selvaraj Durairaj	16.78
	<b>Total</b>	<b>80.53</b>

## TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTORS

### Mr. Balakrishnan Sukumarbalakrishnan

Mr. Balakrishnan Sukumarbalakrishnan, is the Founder, Promoter and Managing Director of our Company. He is the Director of the Company since Incorporation of the Company. He was later reappointed as Managing Director with effect from June 29, 2022 for a period of 5 (five) years till June 28, 2027. The significant terms of his employment are as below:

<b>Remuneration</b>	Upto ₹ 60.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Managing Director for a period of 5 (five) years commencing from June 29, 2022
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

## Mr. Selvaraj Durairaj

Mr. Selvaraj Durairaj, is the Executive Director of the Company. He was the appointed as Additional Director of our Company with effect from July 14, 2018, later was regularised to Executive Director w.e.f. September 30, 2018. He has been associated with company since its incorporation. The significant terms of his employment are as below:

<b>Remuneration</b>	Upto ₹ 18.00 Lakh per annum
<b>Bonus and Profit-sharing Ratio</b>	Not Applicable
<b>Term</b>	Appointed as Additional Director of our Company with effect from July 14, 2018, later was regularised to Executive Director w.e.f. September 30, 2018.
<b>Remuneration in the event of loss or inadequacy of profits</b>	In the event of inadequacy or absence of profits in any financial years during his tenure, the Director will be paid remuneration as mentioned in Schedule V as may be approved by the Shareholders of the Company.

## SITTING FEES

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

Sr. No.	Name of Director	Fees for attending the meeting of	
		Board of Directors	Committee Meetings
1.	Mr. Kesavapathy	₹ 1,000/- per Meeting	₹ 1,000/- per Meeting
2.	Ms. Sivagami R	₹ 1,000/- per Meeting	₹ 1,000/- per Meeting
3.	Mr. Ramamoorthy Kumaresan	₹ 1,000/- per Meeting	₹ 1,000/- per Meeting

## BORROWING POWERS OF OUR BOARD

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on March 24, 2022, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the paid up capital and free reserves of the Company provided such amount does not exceed ₹ 20,000.00 Lakhs over and above the aggregate of the paid up share capital and free reserves which may have not been set apart for any purpose.

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

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

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

Sr. No.	Name of Directors	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00
2	Mr. Selvaraj Durairaj	1,50,200	2.00
3	Mr. Kesavapathy	5	0.00
4	Ms. Sivagami R	Nil	Nil
5	Mr. Ramamoorthy Kumaresan	Nil	Nil

## INTEREST OF OUR DIRECTORS

Our Managing Director & Executive Director may be interested to the extent of remuneration paid to them, respectively for services rendered as a Directors of our Company and reimbursement of expenses payable to them. For details, please refer "Terms and conditions of employment of our Managing Director and Executive Director" above. Further, all our Non-Executive and Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them for attending meetings of the Board of Directors or a committee thereof. The Independent Directors are paid sitting fees for attending the meetings of the Board and Committees of the Board and may be regarded as interested to the extent of such sitting fees and reimbursement of other expenses payable to them as per their terms of appointment.

Three of our Directors, Mr. Balakrishnan Sukumarbalakrishnan, Mr. Selvaraj Durairaj and Mr. Kesavapathy may be deemed to be interested in the Company to the extent of the Equity Shares held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares held by them if any.

### **Interest in promotion of our Company**

Except Mr. Balakrishnan Sukumarbalakrishnan, none of our Directors have any interest in the promotion or formation of our Company as of the date of this Red Herring Prospectus.

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

Except as stated in the chapter titled **“Related Party Transaction”** beginning on page 152 of Red Herring Prospectus, our Directors have not entered into any contract, agreement or arrangements within a period of 2 (two) years preceding the date of this Red Herring Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our directors do not have any interest in any immovable property to be acquired by the Company except otherwise disclosed in the heading titled **“Our Properties”** under the chapter titled **“Our Business”** beginning on page 104 of this Red Herring Prospectus.

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

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

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

Further, save and except as stated otherwise in **“Statement of Related Parties’ Transactions”** in the chapter titled **“Financial Statements as Restated”** of this Red Herring Prospectus, our directors do not have any other interests in our Company as on the date of this Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

### **Interest in transactions involving acquisition of land**

Our directors are not currently interested in any transaction with our Company involving acquisition of land. Except as stated / referred to under the heading titled **“Our Properties”** under chapter titled **“Our Business”** beginning on page 104 of this Red Herring Prospectus, our directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them.

### **Interest as Member of a Company or Firm**

Except as stated in this chapter the section titled **“Related Party Transactions”** and the chapter **“Our Business”** beginning on page 152 and 104 of this Red Herring Prospectus respectively, our Directors do not have any other interest in our business

### **Other Interests**

Except as stated above, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company.

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.

Further, our directors may be directors on the board, or are members, or are partners, or are trustees of certain Group Entities and may be deemed to be interested to the extent of the payments made by our Company, if any, to such Group Entities. For the payments that are made by our Company to certain Group Entities, please refer chapters titled **“Financial Statements as Restated”** and **“Related Party Transactions”** beginning on page 152 and 165 of this Red Herring Prospectus.

## **PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director & Executive Director for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our



Company has not paid in the last 2 (two) years preceding the date of this Red Herring Prospectus, and does not intend to pay, any amount or benefits to our directors.

#### **APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT**

Except as disclosed in this Red Herring Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

#### **BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

#### **POLICIES ADOPTED BY OUR COMPANY**

Our Company has adopted the following policies:

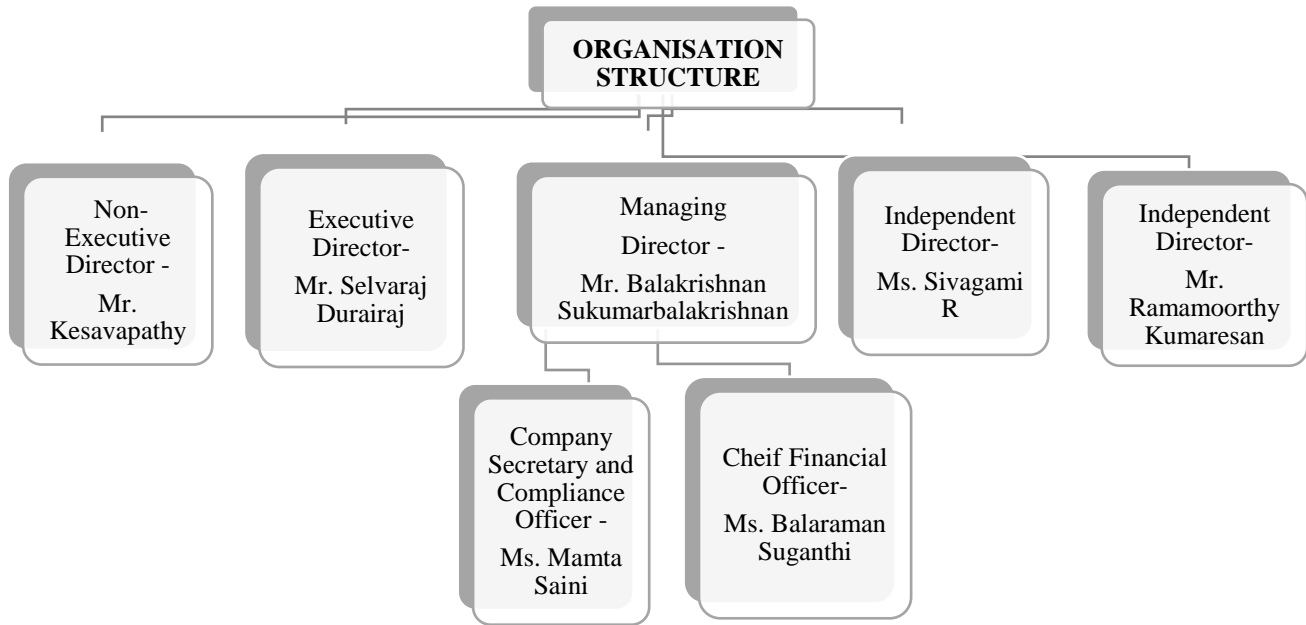
- a) Policy on Code of Conduct for Directors and Senior Management
- b) Policy of Audit Committee
- c) Policy of Nomination and Remuneration Committee
- d) Policy of Stakeholder Relationship Committee
- e) Policy of Corporate Social Responsibility
- f) Policy on Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information
- g) Policy on Disclosure and Internal Procedure for Prevention of Insider Trading
- h) Policy on Whistle Blower and Vigil Mechanism
- i) Policy on Related Party Transactions (RPT)
- j) Policy for Preservation of Documents and Archival of Documents
- k) Policy for Prevention of Sexual Harassment
- l) Policy on Materiality for Disclosures of events to Stock Exchanges
- m) Policy on Code of Independent Directors and Familiarization of Independent Director
- n) Policy for identification of Materiality of outstanding Litigations involving Company, its subsidiary, Directors, Promoter and other Group Companies
- o) Policy on Material Outstanding due to the Creditors

#### **CHANGES IN OUR BOARD DURING THE LAST THREE YEARS**

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

<b>Sr. No.</b>	<b>Directors</b>	<b>Date of Event</b>	<b>Event</b>
1.	Mr. Selvaraj Durairaj	September 30, 2018	Regularisation as Executive Director
2.	Mr. Balakrishnan Sukumarbalakrishnan	June 29, 2022	Reappointed as Managing Director
3.	Ms. Kamaladevi Dhinakaran	June 29, 2022	Appointed as Independent Director
4.	Mr. Ramamoorthy Kumaresan	June 29, 2022	Appointed as Independent Director
5.	Mr. Kesavapathy	June 29, 2022	Appointed as Non-Executive Director
6.	Ms. Kamaladevi Dhinakaran	September 03, 2022	Resignation of Independent Director
7.	Ms. Sivagami R	September 06, 2022	Appointed as Independent Director

## ORGANISATION STRUCTURE



## CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board's Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas.

As on the date of this Red Herring Prospectus, there are 5 (Five) Directors on our Board out of which one third are Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

## COMMITTEES OF OUR BOARD

The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:

- a) Audit Committee
- b) Stakeholders' Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Internal Complaints Committee

## Audit Committee

Our Company has constituted an Audit Committee ("Audit Committee"), as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on December 29, 2022.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises the following 3 (Three) directors:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Sivagami R	Chairman	Independent Director
2	Ramamoorthy Kumaresan	Member	Independent Director
3	Balakrishnan Sukumarbalakrishnan	Member	Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the SEBI (LODR) Regulation, 2015.

### Meetings of Audit Committee and Quorum

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- a) To investigate any activity within its terms of reference;
- b) To seek information from any employee;
- c) To obtain outside legal or other professional advice; and
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

### Role of Audit Committee

The role of the Audit Committee shall include the following:

- a) 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;
- b) Recommending to the Board the appointment, re-appointment and replacement, remuneration and terms of appointment of statutory auditor of the Company;
- c) Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
- d) Approving payments to statutory auditors for any other services rendered by the statutory auditors of the Company;
- e) Reviewing, with the management, the annual financial statements and auditor's report thereon 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, as amended;
  - 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 the management;

- iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with SEBI Listing Regulations and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions; and
  - vii. Qualifications / modified opinion(s) in the draft audit report.
- f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
  - g) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - h) Approval or any subsequent modification of transactions of our Company with related parties and omnibus approval for related party transactions proposed to be entered into by our Company subject to such conditions as may be prescribed;
  - i) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
  - j) Scrutinizing of inter-corporate loans and investments;
  - k) Valuing of undertakings or assets of the Company, wherever it is necessary;
  - l) Evaluating of internal financial controls and risk management systems;
  - m) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
  - n) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - o) 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;
  - p) Discussing with internal auditors of any significant findings and follow up there on;
  - q) 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;
  - r) Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - s) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - t) Reviewing the functioning of the whistle blower mechanism;
  - u) Approving the appointment of the Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and
  - v) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.
  - w) Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- x) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders

Further, the Audit Committee shall mandatorily review the following information:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses; and
- e) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- f) statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7).

### Stakeholders' Relationship Committee

Our Company has constituted a shareholder / investors grievance committee "Stakeholders' Relationship Committee" to redress complaints of the shareholders. The Stakeholders' Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on December 29, 2022.

The Stakeholders' Relationship Committee comprises:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Ramamoorthy Kumaresan	Chairman	Independent Director
2	Sivagami R	Member	Independent Director
3	Kesavapathy	Member	Non-executive Director

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

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

#### Tenure

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

#### Meetings

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

### Role of the Stakeholders' Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- a) Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;
- b) Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate / split / consolidated share certificates;
- c) Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer / transmission of shares and debentures;

- d) Allotment and listing of shares in future;
- e) Review of cases for refusal of transfer / transmission of shares and debentures;
- f) Reference to statutory and regulatory authorities regarding investor grievances;
- g) Ensure proper and timely attendance and redressal of investor queries and grievances; and
- h) To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

#### **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on December 29, 2022.

The Nomination and Remuneration Committee comprises the following Directors:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
1	Sivagami R	Chairman	Independent Director
2	Ramamoorthy Kumaresan	Member	Independent Director
3	Kesavapathy	Member	Non-Executive Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

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

#### **Tenure**

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

#### **Meetings**

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including atleast one independent director in attendance.

#### **Role of the Nomination and Remuneration Committee not limited to but includes:**

- a) Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel, senior Management and other employees;
- b) Formulating of criteria for evaluation of performance of independent Directors and the Board;
- c) Devising a policy on Board diversity;
- d) Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
- e) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- f) Analyzing, monitoring and reviewing various human resource and compensation matters;
- g) Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;



- h) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
- i) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- j) Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
- k) Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
  - i. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - ii. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.”
- l) Performing such other activities as may be delegated by the Board of Directors and / or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

### Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee shall formulate and recommend a CSR policy to the Board, the Company has constituted a Corporate Social Responsibility Committee pursuant to resolution of the Board of Directors dated September. The Corporate Social Responsibility Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the company, monitor the CSR policy of the Company from time to time and establish the transparent controlling mechanism for the implementation of the CSR projects or programs or activities undertaken by the company as per the requirements of the Companies Act, 2013, Listing Agreement and SEBI LODR for Corporate Governance.

The Corporate Social Responsibility Committee comprises the following members:

Sr. No.	Name of Director	Status in Committee	Nature of Directorship
1	Sivagami R	Chairman	Independent Director
2	Kesavapathy	Member	Non-Executive Director
3	Balakrishnan Sukumarbalakrishnan	Member	Managing Director

*Role of the Corporate Social Responsibility Committee not limited to but includes:*

We further confirm that atleast one Director is an Independent Director.

Company Secretary & Compliance Officer of our Company shall act as the secretary to the Corporate Social Responsibility Committee.

### Measures

In the aforesaid backdrop, policy on CSR of Innokaiz India Limited is broadly framed taking into account the following measures:

The CSR activities shall be undertaken by Innokaiz India Limited, as stated in this Policy, as projects or programs or activities (either new or ongoing), excluding activities undertaken in pursuance of its normal course of business.

The CSR activities which are exclusively for the benefit of Innokaiz India Limited employees or their family members shall not be considered as CSR activity.

Innokaiz India Limited shall give preference to the local area or areas around it where it operates, for spending the amount earmarked for CSR activities.

The Board of Innokaiz India Limited may decide to undertake its CSR activities as recommended by the CSR Committee, through a registered trust or a registered society or a company established by the company or its holding or subsidiary or associate company pursuant to Section 135 of the Companies Act, 2013 and rules made there-under.

The following is the list of CSR projects or programs which Innokaiz India Limited plans to undertake pursuant to Schedule VII of the Companies Act, 2013:

- a) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- b) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- c) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- d) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- e) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- f) measures for the benefit of armed forces veterans, war widows and their dependents;
- g) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports;
- h) contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- i) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- j) rural development projects;

Any other measures with the approval of Board of Directors on the recommendation of CSR Committee subject to the provisions of Section 135 of Companies Act, 2013 and rules made there-under.

#### **Organisational mechanism and responsibilities**

Constitution of Corporate Social Responsibility Committee

The Board of Directors of the Company shall constitute a Corporate Social Responsibility Committee of the Board ("CSR Committee") consisting of three or more directors, out of which at least one director shall be an independent director.

#### **The CSR Committee shall –**

- a) Formulate and recommend to the Board, a CSR policy and activities to be undertaken by the company as per Schedule VII;
- b) Recommend the amount of expenditure to be incurred on the activities; and
- c) Monitor the Policy of the company from time to time.

The Board of the company shall after taking into account the recommendations made by the CSR Committee, approve the policy for the company and disclose contents of such Policy in its report and also place it on the company's website and ensure that the activities as are included in the CSR Policy of the company are undertaken by the company.

Innokaiz India Limited provide the vision under the leadership of its Managing Director, Mr. Balakrishnan Sukumarbalakrishnan.

At the Company, the Managing Director takes on the role of the mentor, while the onus for the successful and time bound implementation of the CSR activities / projects is on the HR Head and CSR teams.

To measure the impact of the work done, a social satisfaction survey / audit is carried out by an external agency.

**Activities, setting measurable targets with timeframes and performance management:**

Prior to the commencement of CSR activities / projects, we carry out a baseline study of the nearby area / villages of the Company’s Site Locations.

The study encompasses various parameters such as – health indicators, literacy levels, sustainable livelihood processes, and population data – below the poverty line and above the poverty line, state of infrastructure, among others.

From the data generated, a 1-year plan and a 5-year rolling plan are developed for the holistic and integrated development of the affected people.

All activities / projects of CSR are assessed under the agreed strategy, and are monitored every quarter / year, measured against targets and budgets. Wherever necessary, midcourse corrections are made.

**Budgets**

A specific budget is allocated for CSR activities and spending on CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding financial years, in pursuance of this policy.

In case Company fails to spend such amount, the Board shall specify the reasons for not spending the amount.

Approving authority for the CSR amount to be spent would be any one Director or the Managing Director / Chief Financial Officer of the Company after due recommendation of CSR Committee and approval of the Board of Directors of the Company.

The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company.

The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on any item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act 2013.

Tax treatment of CSR spent will be in accordance with the Income Tax Act as may be notified by CBDT.

**Information dissemination**

The Company’s engagement in this domain is disseminated on its website & annual reports.

**Internal Complaints Committee**

An Internal Complaints Committee is constituted for our Company by the Board to look into the matters concerning sexual harassment pursuant to resolution of the Board of Directors dated December 29, 2022. The Internal Complaints consists of the following members.

Sr. No.	Name	Status in Committee	Gender
1.	Sivagami R	Presiding officer	Female
2.	Banumathi K	Member	Female
3.	Kalaiarasan N	Member	Male
4.	Sivagnanam A	Member	Male

A complainant can approach any member of the committee with her written complaint.

**Tenure**

The President and other members of the committee shall hold office for such period, not exceeding 3 (three) years, from the date of their nomination as may be specified by the employer.

## Scope

This policy is applicable to employees, workers, volunteers, probationer and trainees including those on deputation, part time, contract, working as consultants or otherwise (whether in the office premises or outside while on assignment). This policy shall be considered to be a part of the employment contract or terms of engagement of the persons in the above categories.

Where the alleged incident occurs to our employee by a third party while on a duty outside our premises, the Company shall perform all reasonable and necessary steps to support our employee.

## What Constitutes Sexual Harassment?

Sexual Harassment means such unwelcome sexually determined behaviour (directly or through implication), like physical contact and advances by the employee(s) including:

- a) A demand or request for sexual favours, sexually coloured remarks, showing pornography, any other unwelcome physical conduct of sexual nature, lurid stares, physical contact or molestation, stalking, sounds, display of pictures, signs;
- b) Eve teasing, innuendos and taunts, physical confinement against one's will;
- c) A demand or request for sexual favours, whether verbally or non-verbally, where the submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment or promotion / evaluation of work thereby denying an individual equal opportunity at employment;
- d) An act or conduct by a person in authority which makes the environment at workplace hostile or intimidating to a person or unreasonably interferes with the individual's privacy and productivity at work;
- e) Verbal harassment of a sexual nature, such as lewd comments, sexual jokes or references, and offensive personal references; demeaning, insulting, intimidating, or sexually suggestive comments (oral or written) about an individual's personal appearance or electronically transmitted messages (Jokes, remarks, letters, phone calls);
- f) Any other behaviour which an individual perceives as having sexual overtones.

## Redressal Mechanism:

Once the complaint is received by the Committee:

- a) The person who is accused by the complainant will be informed that a complaint has been filed against him (he will be made aware of the details of the allegation and also the name of the complainant as it would be necessary for proper inquiry) and no unfair acts of retaliation or unethical action will be tolerated.
- b) The complainant has the opportunity to ask for conciliation proceedings by having communication with the accused in the presence of the Committee. Please note that in such conciliation the complainant cannot demand monetary compensation.
- c) The Committee shall provide the copies of the settlement as recorded during conciliation to the aggrieved employee and the respondent.
- d) If the matter has been settled by conciliation but the respondent is not complying with the terms and conditions, the aggrieved party can approach the Committee for Redressal.
- e) The Committee will question both the complainant and the alleged accused separately. If required, the person who has been named as a witness will need to provide the necessary information to assist in resolving the matter satisfactorily.
- f) The Committee shall call upon all witnesses mentioned by both the parties.
- g) The Committee can ask for specific documents from a person if it feels that they are important for the purpose of investigation.
- h) The complainant has the option to seek transfer or leave so that the inquiry process can continue smoothly and to prevent recurrence of similar situations or discomfort to the complainant. The leave can extend for a maximum

period of 3 months. Leave granted under this provision will be paid leave and will not be counted in the number of leaves that the complainant is statutorily entitled to. The complainant may be required to work from home, if it is practicable, keeping in mind the nature of work of the complainant, health and mental condition. However, the complainant is under a good faith obligation and shall not abuse the process to request unjustifiably long periods of leave, keeping in mind the economic effects of the leave to the organization. The Committee shall have the discretion to grant leave of an appropriate duration, depending on the facts and circumstances of the case, or grant an alternate measure such as transferring the employee or the accused, as it deems fit.

Where leave is granted to the complainant, the Committee shall make best attempts to ensure speedy completion of the inquiry process and to minimize adverse economic consequences to the Company arising out of the absence of the complainant from the workplace.

- i. The complainant and the accused shall be informed of the outcome of the investigation. The investigation shall be completed within 3 months of the receipt of the complaint. If the investigation reveals that the complainant has been sexually harassed as claimed, the accused will be subjected to disciplinary action accordingly.
  - a) The report of the investigation shall be supplied to the employer (or the District Officer), the accused and the complainant within 10 days of completion of the investigation.
  - b) The employer or the District Officer will act on the recommendations of the Committee within 60 days of the receipt of the report.
- ii. The contents of the complaint made, the identity and addresses of the aggrieved employee, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee and the action taken by the employer shall not be published, communicated or made known to the public, press and media in any manner

Any party aggrieved by the report can prefer an appeal in the appropriate Court or Tribunal in accordance with the service rules within 90 days of the recommendation been given to the employer / District Officer.

#### **Disciplinary Action:**

Where any misconduct is found by the Committee, appropriate disciplinary action shall be taken against the accused. Disciplinary action may include transfer, withholding promotion, suspension or even dismissal. This action shall be in addition to any legal recourse sought by the complainant.

If it is found out through evidence by the Committee that the complainant has maliciously given false complaint against the accused, disciplinary action shall be taken against the complainant as well.

Regardless of the outcome of the complaint made in good faith, the employee lodging the complaint and any person providing information or any witness, will be protected from any form of retaliation. While dealing with complaints of sexual harassment, the Committee shall ensure that the complainant or the witness are not victimized or discriminated against by the accused. Any unwarranted pressures, retaliatory or any other type of unethical behaviour by the accused against the complainant while the investigation is in progress should be reported by the complainant to the Complaints Committee as soon as possible. Disciplinary action will be taken by the Committee against any such complaints which are found genuine.

This policy shall be disseminated to each employee of the Company as well as new recruits who will have to acknowledge that they have read and understood the policy and that they shall abide by the policy.

#### **POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (“SEBI PIT Regulations”) will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

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

## OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel and senior Management of our Company as prescribed under the Companies Act, 2013:

Sr. No	Name of the KMPs	Designation
1.	Mr. Balakrishnan Sukumarbalakrishnan	Managing Director
2.	Ms. Mamta Saini	Company Secretary & Compliance Officer
3.	Ms. Balaraman Suganthi	Chief Financial Officer

## BREIF PROFILE OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

### Mr. Balakrishnan Sukumarbalakrishnan–Managing Director

Mr. Balakrishnan Sukumarbalakrishnan is the Managing Director of our Company. For details, see “*Brief Profile of our Director*”, see “*Our Management*” chapter beginning on page 125 of this Red Herring Prospectus.

### Ms. Balaraman Suganthi - Chief Financial Officer

Ms. Balaraman Suganthi, aged 36 years, is the Chief Financial Officer of our Company. She was appointed as the Chief Financial Officer of our Company at the meeting of the Board of Directors with effect from April 08, 2022. She has completed her Bachelor of Engineering in Electronics and Communications from Anna University, Chennai in the year 2008 and is currently pursuing Masters in Business Administration- Financial Management from University of Madras. She has an experience of more than a decade and was earlier associated with entities naming Aurokruti and Power Security Corp Private Limited.

<b>Term of Office with expiration Date</b>	Appointed as Chief Financial Officer with effect from April 08, 2022.
<b>Details of service contract</b>	Not Applicable
<b>Function and areas of experience</b>	Accounting, Taxation and other related Matters

### Ms. Mamta Saini– Company Secretary & Compliance Officer

Ms. Mamta Saini, aged 26 years, is the Company Secretary & Compliance Officer of our Company. She was appointed as the Company Secretary & Compliance Officer of our Company at the meeting of the Board of Directors with effect from January 02, 2023 but her appointed was with effect from February 10, 2023. She is a qualified Company secretary from the Institute of Company Secretaries of India.

<b>Term of Office with expiration Date</b>	Appointed as Company Secretary & Compliance Officer with effect from February 10, 2023.
<b>Details of service contract</b>	Not Applicable
<b>Function and areas of experience</b>	Securities law and Compliances

## STATUS OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

## RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of the above-mentioned key managerial personnel are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel and Senior Management were selected as members of our senior management.

## RELATIONSHIP OF DIRECTORS / PROMOTER WITH KEY MANAGERIAL PERSONNEL (KMPs) OR SENIOR MANAGEMENT

None of the above-mentioned key managerial personnel or Senior Management are related to our Promoter or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.



## SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on date of this Red Herring Prospectus, except as stated below, our Key Managerial Personnel and Senior Management do not hold any number of Equity Shares of our Company

Sr. No.	Name of Key Managerial Personnel and Senior Management	No. of Equity Shares Held (Pre-Issue)	% of pre-Issue capital
1.	Mr. Balakrishnan Sukumarbalakrishnan	73,59,775	98.00
2.	Ms. Balaraman Suganthi	NIL	NIL
3.	Ms. Mamta Saini	NIL	NIL
	<b>Total</b>	<b>73,59,775</b>	<b>98.00</b>

## REMUNERATION / COMPENSATION TO OUR KMPs

Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2022:

(₹ in Lakh)

Sr. No.	Name of KMPs and Senior Management	Designation	Remuneration paid
1.	Mr. Balakrishnan Sukumarbalakrishnan	Managing Director*	63.75
2.	Ms. Balaraman Suganthi	Chief Financial Officer**	7.80
3.	Ms. Mamta Saini	Company Secretary & Compliance Officer#	NIL
	<b>Total</b>		<b>71.55</b>

\* Appointed as Managing Director of the Company w.e.f. June 29, 2022

\*\* Appointed as Chief Financial Officer of the Company w.e.f. April 08, 2022.

# Appointed as Company Secretary & Compliance Officer w.e.f. February 10, 2023

The aforementioned KMP's are on the payrolls of our Company as permanent employees.

## BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

As on the date of this Red Herring Prospectus, our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel and Senior Management.

## CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel or Senior Management has received or is entitled to any contingent or deferred compensation as on date of this Red Herring Prospectus.

## LOANS TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Except as stated in the Red Herring Prospectus, there is no loan outstanding against Key Managerial Personnel or Senior Management as on date of this Red Herring Prospectus.

## INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The Key Managerial Personnel and Senior Management of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and may also be interested to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any. Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel or Senior Management have been paid any consideration of any nature from our Company, other than their remuneration. Except as stated in the heading titled "*Related Party Transactions*" under the Section titled "*Financial Statements as Restated*" beginning on page 152 of this Red Herring Prospectus and described herein above, our key managerial personnel and Senior Management do not have any other interest in the business of our Company.

## CHANGES IN KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS

Set forth below are the changes in our Key Managerial Personnel and Senior Management in the last 3 (three) years immediately preceding the date of this Red Herring Prospectus:

Sr. No.	Name	Date of Event	Reason
1.	Ms. Balaraman Suganthi	April 08, 2022	Appointed as Chief Financial Officer
2.	Mr. Balakrishnan Sukumarbalakrishnan	June 29, 2022	Re-appointed as Managing Director
3.	Ms. Mamta Saini	February 10, 2023	Appointed as Company Secretary and compliance officer

#### **EMPLOYEES STOCK OPTION SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Red Herring Prospectus.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except as stated in this Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled "*Financial Statements as Restated*" beginning on page 152 of this Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel, Senior Management or our Promoter.

#### **ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Key Managerial Personnel, Senior Management or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled "*Our History and Certain Other Corporate Matters*" beginning on page 145 of this Red Herring Prospectus.

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTER

The Promoter of our Company are **Mr. Balakrishnan Sukumarbalakrishnan**.

As on the date of this Red Herring Prospectus, Our Promoter holds an aggregate of **73,59,775** Equity Shares, representing **98.00%** of the Pre-Issue Issued, Subscribed and Paid-up Equity Share Capital of our Company. For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – History of the Equity Share Capital held by our Promoter and Promoter group*", on pages 61 of this Red Herring Prospectus.

### BRIEF PROFILE OF OUR INDIVIDUAL PROMOTER



**Mr. Balakrishnan Sukumarbalakrishnan**, aged 45 years, is the Founder, Promoter and Managing Director of our Company. He is the Director of the Company since Incorporation of the Company. He was later reappointed as Managing Director with effect from June 29, 2022. He has a Diploma in Mechanical Engineering from State Board of Technical Education & Training, Tamil Nadu completed in the year 1995. He has more than 9 years of experience. He is a visionary entrepreneur and has played a pivotal role in setting up business of our Company. He primarily looks after the overall business operations of the Company. He is the driving force behind the working of the company and has been the mentor to all the employees. His vast industry knowledge and experience has helped company to grow many folds. As a leader, he always delivers value to the customers and endeavour in fulfilling / exceeding their expectations and is involved in day-to-day execution of projects. In a Company he is responsible for providing strategic advice and guidance to the members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

**Qualification:** Diploma in Mechanical Engineering

**Date of Birth:** July 26, 1977

**Age:** 45 years

**Residential Address:** No. 104 / 39, Jothi Ramalingam Street, New Kamaraj Nagar, Perambur, Chennai- 600011, Tamil Nadu, India.

**Nationality:** Indian

**PAN:** AHUPB6541J

**Directorship Held:**

- Taiyangxi Properties & Infrastructure Private Limited
- Fuehrer Capital Private Limited
- Brainstorm Automotive Private Limited

For the complete profile of our Promoter - educational qualifications, professional experience, position / posts held in the past, directorships held, special achievements and business and financial activities, see "*Our Management*" on page 125 of this Red Herring Prospectus.

## DECLARATION

We declare and confirm that the details of the Permanent Account Number, Aadhaar Card Number and Driving License Number, Passport Number and Bank Account Number of our Promoter will be submitted to the Stock Exchange i.e., BSE Limited, where the Equity Shares are proposed to be listed at the time of filing this Red Herring Prospectus.

## UNDERTAKING / CONFIRMATIONS

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

- prohibited or debarred from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or
- refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.
- No material regulatory or disciplinary action is taken by any by a stock exchange or regulatory authority in the past one year in respect of our Promoter, Group Company and Company promoted by the promoter of our company.
- There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoter during the past three years.
- The litigation record, the nature of litigation, and status of litigation of our Company, Promoter, Group company and Company promoted by the Promoter are disclosed in chapter titled **“Outstanding Litigations and Material Developments”** beginning on page 166 of this Red Herring Prospectus.
- None of our Promoter person in control of our Company are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

## CHANGE IN CONTROL OF OUR COMPANY

There has not been any change in the control of our Company in the five years immediately preceding the date of this Red Herring Prospectus.

## EXPERIENCE OF OUR PROMOTER IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoter in the business of our Company, please refer the chapter **“Our Management”** beginning on page 125 of this Red Herring Prospectus.

## INTEREST OF OUR PROMOTER

Our Promoter is interested in our Company to the extent (i) that they have promoted our Company, and (ii) to the extent of their shareholding in our Company. For details on shareholding of our Promoter in our Company, see **“Capital Structure”** on page 61 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoter is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. For further details, please refer the section titled **“Related Party Transactions”** in chapter **“Financial Statements as Restated”** on page 152 of this Red Herring Prospectus.

### *Interest in promotion of our Company*

Our Company is currently promoted by the Promoter in order to carry on its present business. Our Promoter is interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.

### *Interest in the property, land, construction of building, supply of machinery, etc.*

Except as mentioned in the chapter titled **‘Our Business’** beginning on page 104 of this Red Herring Prospectus, our Promoter does not have any other interest in any property acquired or proposed to be acquired by our Company in a period

of 2 (two) years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

***Interest in our Company arising out of being a member of a firm or company***

Our Promoter is not interested as member of a firm or company, and no sum has been paid or agreed to be paid to them or to such firm or company in cash or shares or otherwise by any person either to induce such person to become, or qualify them as a director, or otherwise for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

***Interest in our Company other than as Promoter***

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 104, 145, 125 and 152, respectively, our Promoter does not have any other interest in our Company

***Payment or Benefit to the Promoter or Promoter Group in the last 2 (two) years***

Except as stated above in chapters “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing of this Red Herring Prospectus or intended to be paid or given to any Promoter or member of our Promoter Group and no consideration for payment of giving of the benefit.

**COMMON PURSUITS OF OUR PROMOTER**

Except as disclosed below, our Promoter is not involved with any ventures which are in the same line of activity or business as that of our Company.

Sr. No	Name of Entity
1.	Innokaiz Enterprises
2.	Gembrio Media & Entertainment Private Limited

**MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus, our Promoter has not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

**EXPERIENCE OF PROMOTER IN THE LINE OF BUSINESS**

Our Promoter, Mr. Balakrishnan Sukumarbalakrishnan has an experience of around 10 years in the industry. The Company shall also endeavour to ensure that relevant professional help is sought as and when required in the future.

**SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY**

For details of shareholding of members of our Promoter Group as on the date of this Red Herring Prospectus, please see the chapter titled “*Capital Structure – Notes to Capital Structure*” beginning on page 61 of this Red Herring Prospectus.

**LITIGATION INVOLVING OUR PROMOTER**

For details relating to legal proceedings involving the Promoter, please refer “*Outstanding Litigation and Material Developments*” beginning on page 166 of this Red Herring Prospectus.

**RELATED PARTY TRANSACTIONS**

Except as stated in “*Annexure - XXVII Related Party Transactions*” beginning on page 152 of this Red Herring Prospectus, and as stated therein, our Promoter or any of the Promoter Group Entities do not have any other interest in our business.

## COMPANIES WITH WHICH OUR PROMOTER HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS

Our Promoter has not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Red Herring Prospectus.

Sr. No.	Name of Promoter	Name of Entity	Reason for Disassociation	Date of Disassociation
1	Mr. Balakrishnan Sukumarbalakrishnan	NIL	NIL	NIL

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### A. Natural Persons who form part of our Promoter Group:

<b>Promoter</b>	Mr. Balakrishnan Sukumarbalakrishnan
<b>Relation with Promoter</b>	
<b>Father</b>	Late P Balakrishnan
<b>Mother</b>	Late Jayalakshmi
<b>Spouse</b>	Ms. Sudha Sigamani
<b>Brother(s)</b>	N.A.
<b>Sister(s)</b>	N.A.
<b>Son(s)</b>	N.A.
<b>Daughter</b>	Ms. Sharieli Balakrishnan
<b>Daughter</b>	Ms. Samvidha Balakrishnan
<b>Spouse's Father</b>	Mr. Sigamani
<b>Spouse's Mother</b>	Ms. Savithri
<b>Spouse's Brother(s)</b>	Mr. Srinivasan
<b>Spouse's Brother(s)</b>	Mr. Surendran
<b>Spouse's Sister(s)</b>	N.A.

### B. In case promoter is a Body Corporate

Sr. No.	Nature of Relationship	Name of the Promoter Entities / Company
1.	Subsidiary or holding company of Promoter Company	N.A.
2.	Any Body corporate in which promoter (Body Corporate) holds 20% or more of the equity share capital or which holds 20% or more of the equity share capital of the promoter (Body Corporate).	N.A.

### C. In case promoter is an Individual:

Sr. No.	Nature of Relationship	Entity
1.	Any Body Corporate in which 20% or more of the equity share capital is held by promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of his immediate relatives is a member.	<ul style="list-style-type: none"> <li>• Taiyangxi Properties &amp; Infrastructure Private Limited</li> <li>• Fuehrer Capital Private Limited</li> <li>• Brainstorm Automotive Private Limited</li> <li>• Gembrio Media &amp; Entertainment Private Limited</li> <li>• JB Chits Private Limited</li> </ul>
2.	Any Body corporate in which Body Corporate as provided above holds 20% or more of the equity share capital.	NIL
3.	Any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than 20%.	Innokaiz Enterprises



**D. All persons whose shareholding is aggregated under the heading "shareholding of the Promoter Group":**

None of other persons forms part of promoter group for the purpose of shareholding of the Promoter Group under Regulation 2(1) (pp)(v) of SEBI (ICDR) Regulations 2018.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to *Annexure- XXVII* of section titled “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders at the general meeting. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends. No dividend shall be payable for any financial year except out of profits of our Company for that year or that of any previous financial year or years, which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013.

Our Company does not have a formal dividend policy for declaration of dividend in respect of Equity shares. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Our Company has not paid / declared any dividend in last three years from date of this Red Herring Prospectus. Our Company's corporate actions pertaining to payment of dividends in the past are not to be taken as being indicative of the payment of dividends by our Company in the future.

**SECTION IX: FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS AS RESTATED**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Page No.</b>
1	Restated Financial Statements	F-1 To F-28

## FINANCIAL STATEMENTS AS RESTATED

### Independent Auditor's Report on The Restated Financial Statements of INNOKAIZ INDIA LIMITED

**Auditor's Report on the Restated Statement of Assets and Liabilities as on October 31, 2022 and March 31, 2022, 2021 and 2020, Statement of Profit & Loss and Cash Flow for the period ending October 31, 2022 and financial years ending on March 31, 2022, 2021 and 2020 of INNOKAIZ INDIA LIMITED.**

To,  
The Board of Directors,  
**INNOKAIZ INDIA LIMITED**  
**(FORMERLY INNOKAIZ INDIA PRIVATE LIMITED)**  
Door No 43 Old No 22 Real Enclave  
Flat No 1 4Th Floor Josier Street Nungambakkam Chennai  
Chennai Tamil Nadu - 600034

Dear Sirs,

- 1) We have examined the attached Restated Summary Statements and Other Financial Information of **INNOKAIZ INDIA LIMITED** (Formerly known as '**INNOKAIZ INDIA PRIVATE LIMITED**'), for the period ended on October 31, 2022 and financial year ended on March 31, 2022, 2021 and 2020 (collectively referred to as the "**Restated Summary Statements**" or "**Restated Financial Statements**") as duly approved by the Board of Directors of the Company.
- 2) The said Restated Financial Statements and other Financial Information have been examined and prepared for the purpose of inclusion in the Draft Prospectus/Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offering (IPO) on SME Platform of BSE Limited ("BSE SME") of the company taking into consideration the followings and in accordance with the following requirements of:
  - Section 26 and 32 of Part I of Chapter III to the Companies Act, 2013 ("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014, as amended from time to time;
  - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements Regulations), 2018 (the 'SEBI ICDR Regulations') as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992;
  - The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("ICAI") ("Guidance Note");
  - The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
  - The terms of reference to our engagement letter with the company dated December 20, 2022 requesting us to carry out the assignment, in connection with the proposed Initial Public Offering of equity shares on SME Platform of BSE Limited ("BSE SME") ("IPO" or "SME IPO").
- 3) These Restated Financial Information (included in Annexure I to XXXIII) have been extracted by the Management of the Company from:

The Company's Financial Statements for the period ended on October 31, 2022 and year ended March 31, 2022, 2021 and 2020, which have been approved by the Board of Directors at their meeting respectively and

books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary for the preparation of the Restated Financial Statements, are the responsibility of the Company's Management. The Financial Statement of the Company for the period ended on October 31, 2022 and year ended on March 31, 2022 have been audited by us being the Statutory Auditors of the Company and from the financial year ended March 31, 2021 and 2020 has been audited by M/s. Elangovan & Co., Chartered Accountants and had issued unqualified reports for these years.

4) In accordance with the requirement of Section 26 and 32 of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules 2014, the SEBI Regulations, the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we further report that:

- (a) The **Restated Statement of Assets and Liabilities** for the period ended on October 31, 2022 and financial year ended on March 31, 2022, 2021 and 2020 examined by us, as set out in **Annexure I** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings of the financial statements, 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 XXXIII to this Report.
- (b) The **Restated Statement of Profit and Loss** of the Company for the period ended on October 31, 2022 and financial year ended on March 31, 2022, 2021 and 2020 examined by us, as set out in **Annexure II** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Profit and Loss, have been arrived at after making such adjustments and regroupings of the financial statements, 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 XXXIII to this Report.
- (c) The **Restated Statement of Cash Flows** of the Company for the period ended on October 31, 2022 and financial year ended on March 31, 2022, 2021 and 2020, examined by us, as set out in **Annexure III** to this report, is prepared by the Company and approved by the Board of Directors. These Restated Summary Statement of Cash Flows, have been arrived at after making such adjustments and regroupings of the financial statements, 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 XXXIII to this Report.

As a result of these adjustments, the amounts reporting in the above-mentioned statements are not necessarily the same as those appearing in the audited financial statements of the Company for the relevant financial years.

5) Based on the above, as per the reliance placed by us on the audited financial statements of the Company and report thereon given by the Statutory Auditor of the Company for the period ended on October 31, 2022 and financial year ended on March 31, 2022, 2021 and 2020, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:

- (a) have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policies for all the reporting periods based on the significant accounting policies adopted by the Company as at October 31, 2022.



- (b) have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years to which they relate to;
  - (c) do not contain any extra ordinary items that need to be disclosed separately other than those presented in the Restated Financial Statement and do not contain any qualification requiring adjustments;
  - (d) There were no qualifications in the Audit Reports issued by the Statutory Auditors for the period ended on October 31, 2022 and financial year ended March 31, 2022, 2021 and 2020 which would require adjustments in this Restated Financial Statements of the Company;
  - (e) Restated Summary Statement of 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 XXXIII to this report;
  - (f) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,
  - (g) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
  - (h) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
  - (i) The Company has not paid any dividend since its incorporation.
- 6) **Emphasis of Matter:**  
The company has a demand of availing of GST ITC amounting to Rs. 232.43 lacs raised vide show cause notice from DGGI, BZU on 30.09.2022 vide notice no. F. No DGGI/INV/GST/3104/2021. Out of the above demand the company has deposited Rs.50.00 lacs through DRC -03 challan and the pending amount may has an impact over the financial position of the company. However, the company has filed a writ petition against the said order with the High Court.
- 7) We have also examined the following other Restated Financial Information as set out in the respective Annexure's to this report and forming part of the Restated Financial Statement, prepared by the management of the Company and approved by the Board of Directors of the company for the period ended on October 31, 2022 and year ended March 31, 2022, 2021 and 2020 proposed to be included in the Draft Prospectus/Prospectus ("Offer Document") for the proposed IPO:
- 1. Statement of Share Capital, as restated in **Annexure V** to this report.
  - 2. Statement of Reserves & Surplus, as restated in **Annexure VI** to this report
  - 3. Statement of Long-Term Borrowings, as restated in **Annexure VII** to this report.
  - 4. Statement of Deferred Tax Liabilities, as restated in **Annexure VIII** to this report.
  - 5. Statement of Long-Term Provisions, as restated in **Annexure IX** to this report

6. Statement of Short-Term Borrowings as restated in **Annexure X** to this report.
7. Statement of Trade Payables as restated in **Annexure XI** to this report.
8. Statement of Other Current Liabilities as restated in **Annexure XII** to this report.
9. Statement of Short-Term Provisions as restated in **Annexure XIII** to this report.
10. Statement of Plant, Property & Equipment and Intangible Assets, as restated in **Annexure XXVI** to this report.
11. Statement of Non-Current Investment as restated in **Annexure XIV** to this report.
12. Statement of Trade Receivables as restated in **Annexure XV** to this report.
13. Statement of Cash and Cash Equivalents as restated in **Annexure XVI** to this report.
14. Statement of Short-Term Loans and Advances as restated in **Annexure XVII** to this report.
15. Statement of Other Current Assets as restated in **Annexure XVIII** to this report.
16. Statement of Revenue from Operations as restated in **Annexure XIX** to this report.
17. Statement of Other Income as restated in **Annexure XX** to this report.
18. Statement of Cost of Operation as restated in **Annexure XXI** to this report.
19. Statement of Employee Benefit Expenses as restated in **Annexure XXII** to this report.
20. Statement of Finance Cost as restated in **Annexure XXVIII** to this report.
21. Statement of Depreciation & Amortization as restated in **Annexure XXIV** to this report.
22. Statement of Other Expenses as restated in **Annexure XXV** to this report.
23. Statement of Related Party Transactions as restated in **Annexure XXVII** to this report.
24. Statement of Reconciliation of Restated Profit after Tax, Restated Equity/Net worth, as restated in **Annexure XXVIII** to this report.
25. Statement of Capitalization as restated in **Annexure XXIX** to this report
26. Statement of Other Financial Information as restated in **Annexure XXX** to this report.
27. Statement of Tax Shelters as restated in **Annexure XXXI** to this report.
28. Statement of Contingent Liabilities as restated in **Annexure XXXII** to this report.
29. Statement of Accounting Ratios as restated in **Annexure XXXIII** to this report.

- 8) We, Gupta Agarwal & Associates, Chartered Accountants hold a valid peer review certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
- 9) The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
- 10) This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as an opinion on any of the Consolidated Financial Information referred to herein.
- 11) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 12) In our opinion, the above Restated Financial Statements contained in **Annexure I to XXXIII** to this report read along with the ‘Significant Accounting Policies and Notes to the Financial Statements’ appearing in **Annexure IV to XXXIII** after making adjustments and regrouping/reclassification as considered appropriate and have been prepared in accordance with the provisions of Section 26 and 32 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules 2014, to the extent applicable, the SEBI Regulations, the Guidance Note issued in this regard by the ICAI, as amended from time to time, and in terms of our engagement agreed with you.
- 13) Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed SME IPO of equity shares of the Company and is not to be used, referred to or distributed for any other purpose except with our prior written consent.

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

Sd/-

**Jay Shanker Gupta**  
**Membership No. 059535**  
**Partner**  
**UDIN: 23059535BGSWTG5748**

**Place: Kolkata**  
**Date: 18.04.2023**

**INNOKAIZ INDIA LIMITED**  
(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)  
CIN: U74900TN2013PLC089349

**RESTATED STATEMENT OF ASSETS & LIABILITIES**

(Rs. in Lakhs)

Particulars	Note No.	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>I. EQUITY AND LIABILITIES</b>					
<b>1 Shareholders' Funds</b>					
(a) Share Capital	2	751.00	1.00	1.00	1.00
(b) Reserves and Surplus	3	1,702.00	1,841.72	1,050.09	540.93
<b>2 Non-Current liabilities</b>					
(a) Long-term Borrowings	4	48.48	74.25	59.20	76.07
(b) Deferred Tax Liabilities (Net)	5	-	-	-	-
(c) Long-term Provisions	6	17.34	7.39	2.94	0.96
<b>3 Current Liabilities</b>					
(a) Short-term Borrowings	7	45.14	57.92	44.32	34.53
(b) Trade Payables	8				
- Due to MSME Creditors					
- Due to Other than MSME Creditors		1,468.09	1,808.48	1,476.47	813.26
(c) Other current liabilities	9	456.11	863.10	989.99	719.05
(d) Short-term Provisions	10	275.00	318.62	247.07	382.58
<b>TOTAL</b>		<b>4,763.15</b>	<b>4,972.47</b>	<b>3,871.07</b>	<b>2,568.38</b>
<b>II. ASSETS</b>					
<b>1 Non-current Assets</b>					
(a) Property, Plant & Equipment & Intangible Assets					
(i) Property, Plant & Equipment	11	43.12	54.37	42.90	17.07
(ii) Capital Work-in-progress		-	-	-	-
(iii) Intangible Assets		-	-	-	-
(b) Deferred Tax Assets (Net)	5	10.00	6.72	3.16	2.18
(c) Non Current Investments	12	390.65	364.92	276.17	
<b>2 Current Assets</b>					
(a) Trade Receivables	13	1,247.86	2,151.10	1,769.81	673.55
(b) Cash and Cash Equivalents	14	244.09	809.06	656.21	894.28
(c) Short Term Loans & Advances	15	1,957.27	664.67	462.69	593.64
(d) Other Current Assets	16	870.15	921.63	660.13	387.66
<b>TOTAL</b>		<b>4,763.15</b>	<b>4,972.47</b>	<b>3,871.07</b>	<b>2,568.38</b>

The accompanying notes 1.1 - 1.24 are integral part of financial statements  
As per our report of even date

For. GUPTA AGARWAL &amp; ASSOCIATES

Chartered Accountants

FRN: 329001E

Sd/-

JAY SHANKER GUPTA

(Partner)

Membership No. 059535

UDIN: 23059535BGSWTG5748

Place: Kolkata

Date: April 18, 2023

For &amp; on Behalf of Board of Directors

Sd/-

BALAKRISHNAN SUKUMARBALAKRISHNAN

Director

DIN: 06464374

Sd/-

BALARAMAN SUGANTHI

Chief Financial Officer

Sd/-

SELVARAJ DURAIRAJ

Director

DIN: 08181614

Sd/-

MAMTA SAINI

Company Secretary &amp; Compliance Officer

Place: Chennai

Date: April 17, 2023

**INNOKAIZ INDIA LIMITED**  
(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)  
CIN: U74900TN2013PLC089349

**RESTATED STATEMENT OF PROFIT & LOSS**

(Rs. in Lakhs)

Particulars	Note No.	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Revenue from operations	17	14,863.59	28,592.69	18,495.01	13,869.74
Other income	18	19.93	16.39	11.20	2.70
<b>Total Income</b>		<b>14,883.52</b>	<b>28,609.09</b>	<b>18,506.21</b>	<b>13,872.44</b>
<b>Expenses:</b>					
Cost of Operations	19	13,841.95	27,223.93	17,556.92	13,054.64
Employee Benefit Expenses	20	107.14	138.53	109.65	77.79
Finance Cost	21	7.21	16.17	15.07	0.09
Depreciation and Amortization Expenses	22	11.25	18.40	7.11	7.57
Other Expenses	23	76.99	130.47	117.86	235.98
<b>Total Expenses</b>		<b>14,044.54</b>	<b>27,527.49</b>	<b>17,806.61</b>	<b>13,376.06</b>
<b>Profit before Exceptional Items</b>		<b>838.98</b>	<b>1,081.60</b>	<b>699.60</b>	<b>496.38</b>
<b>Exceptional Items</b>					
CSR Expenses		17.48	15.35	9.62	3.04
Prior period item- Gratuity provision for earlier year		-	-	-	0.63
Prior period item- Depreciation for earlier years		-	-	-	3.68
<b>Profit/(Loss) before Tax</b>		<b>821.50</b>	<b>1,066.25</b>	<b>689.98</b>	<b>489.02</b>
<b>Tax Expenses:</b>					
Current Tax		214.50	278.18	181.81	129.66
Deferred Tax		(3.28)	(3.56)	(0.98)	(2.18)
<b>Profit/(Loss) for the year</b>		<b>610.28</b>	<b>791.63</b>	<b>509.15</b>	<b>361.55</b>
<b>Earnings per equity share:</b>					
Basic (in Rs.)		8.13	10.54	6.78	4.81
Diluted (in Rs.)		8.13	10.54	6.78	4.81

The accompanying notes 1.1 - 1.24 are integral part of financial statements  
As per our report of even date

For & on Behalf of Board of Directors

For. GUPTA AGARWAL & ASSOCIATES

Chartered Accountants

FRN: 329001E

Sd/-

JAY SHANKER GUPTA

(Partner)

Membership No. 059535

UDIN: 23059535BGSWTG5748

Place: Kolkata

Date: April 18, 2023

Sd/-

BALAKRISHNAN SUKUMARBALAKRISHNAN

Director

DIN: 06464374

Sd/-

BALARAMAN SUGANTHI

Chief Financial Officer

Place: Chennai

Date: April 17, 2023

Sd/-

SELVARAJ DURAIRAJ

Director

DIN: 08181614

Sd/-

MAMTA SAINI

Company Secretary & Compliance Officer

**INNOKAIZ INDIA LIMITED**  
(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)  
CIN: U74900TN2013PLC089349

**RESTATED CASH FLOW STATEMENT**

(Rs. in Lakhs)

Particulars	For the period ended 31.10.2022	For the Year ended 31st March, 2022	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
<b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>				
Net Profit before tax	821.50	1,066.25	689.98	489.02
Depreciation & Amortisation	11.25	18.40	7.11	11.25
Finance Cost	7.21	16.17	15.07	0.09
Gratuity Expenses	11.53	4.79	2.12	1.04
<b>Operating Profit before Working Capital Changes</b>	<b>851.49</b>	<b>1,105.60</b>	<b>714.27</b>	<b>501.40</b>
<b>Adjusted for:</b>				
Trade receivables	903.24	(381.29)	(1,096.26)	626.69
Short Term Loans & Advances	(1,292.61)	(201.98)	130.96	(270.58)
Other Current Assets	51.48	(261.51)	(272.47)	(384.66)
Trade Payable	(340.39)	332.01	663.21	209.87
Other Current Liabilities	(406.99)	(126.90)	270.94	478.61
Short term provision	(259.70)	(206.96)	(317.47)	(482.51)
<b>Cash generated/ (used in) from operating activities</b>	<b>(493.48)</b>	<b>258.97</b>	<b>93.19</b>	<b>678.83</b>
<b>Income tax paid/ refund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net cash generated/ (used in) from operating activities</b>	<b>(493.48)</b>	<b>258.97</b>	<b>93.19</b>	<b>678.83</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Property, Plant & Equipment	-	(29.86)	(32.94)	(0.20)
Non Current Investments	(25.73)	(88.75)	(276.17)	
<b>Net Cash used in Investing Activities (B)</b>	<b>(25.73)</b>	<b>(118.61)</b>	<b>(309.11)</b>	<b>(0.20)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Net Proceeds from Short term borrowings	(12.78)	13.60	9.79	34.53
Net Proceeds from Long term borrowings	(25.77)	15.05	(16.87)	76.07
Finance Cost	(7.21)	(16.17)	(15.07)	(0.09)
<b>Net Cash used in Financing Activities (C)</b>	<b>(45.76)</b>	<b>12.48</b>	<b>(22.15)</b>	<b>110.51</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(564.97)</b>	<b>152.85</b>	<b>(238.07)</b>	<b>789.14</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>	<b>105.14</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>244.09</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>

Note :-

1. Components of Cash &amp; Cash Equivalent

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
a. Balances with banks	243.75	808.30	656.00	893.42
b. Cash in hand (As certified by the management)	0.34	0.76	0.22	0.85
<b>Total</b>	<b>244.09</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>

2. The above cash flow statement has been prepared under the indirect method set out in AS-3 issued by the Institute of Chartered Accountants of India.

3. Figures in Brackets represents outflow.

The accompanying notes 1.1 - 1.24 are integral part of financial statements

As per our report of even date

For &amp; on Behalf of Board of Directors

For. GUPTA AGARWAL &amp; ASSOCIATES

Chartered Accountants

FRN: 329001E

Sd/-

JAY SHANKER GUPTA

(Partner)

Membership No. 059535

UDIN: 23059535BGSWTG5748

Place: Kolkata

Date: April 18, 2023

Sd/-

BALAKRISHNAN SUKUMARBALAKRISHNAN

Director

DIN: 06464374

Sd/-

BALARAMAN SUGANTHI

Chief Financial Officer

Sd/-

SELVARAJ DURAIRAJ

Director

DIN: 08181614

Sd/-

MAMTA SAINI

Company Secretary &amp; Compliance Officer

Place: Chennai

Date: April 17, 2023



**INNOKAIZ INDIA LIMITED**  
**(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)**  
**CIN: U74900TN2013PLC089349**

**CORPORATE INFORMATION**

INNOKAIZ INDIA LIMITED is a Public Company domiciled in India originally incorporated as M/S INNOKAIZ INDIA PRIVATE LIMITED vide certificate of incorporation consequent upon conversion to Public Limited Company dated 27th September, 2022 issued by Registrar of Companies, Chennai, being Corporate Identification Number U74900TN2013PLC089349. The company engaged in corporate services and solutions provider. The Company emerged as a one stop solution provider for various corporate needs. The Company offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc.

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES****1.1 Basis of preparation of financial statements**

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

**1.2 Revenue Recognition**

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Sales are recognized at the time of passage of the title that generally coincides with their delivery. Sales are net of GST and Trade discounts.
- (c) Machine and labour charges are recognized as per the job invoices raised during the year..
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

**1.3 Property, Plant & Equipment and Intangible Assets & Depreciation**

- (a) Fixed Assets are stated at Cost less accumulated depreciation. The Company has capitalized all cost relating to the acquisition and installation of Fixed Assets.
- (b) Depreciation is provided on Fixed Assets on Written down value Method on the basis of Useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013.
- (c) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.
- (d) There are no Intangible Assets in the company.

**1.4 Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

**1.5 Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

**1.6 Inventories**

During the period under review the company does not have any inventory.

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**1.7 Employee Benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.

Provision for Gratuity expenses has been considered as per actuarial valuation report for respective years.

Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

**1.8 Borrowing Costs**

(a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

(b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

**1.9 Taxes on Income**

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

**1.10 Earnings per Share (EPS)**

(a) 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.

(b) 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.

**1.11 Prior Period Items**

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements if any.

**1.12 Provisions / Contingencies**

(a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

(b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

(c) A Contingent Asset is not recognized in the Accounts.

(d) The company was issued a show cause notice from DGGI, BZU on 30.09.2022 vide notice no. F. No DGGI/INV/GST/3104/2021, regarding availing of GST ITC amounting to Rs. 232.43 lacs. The company has deposited Rs. 50 lacs through DRC-03 challan. However the company has filed a writ petition against the order. This also may impact taxability as per Income Tax Act in coming years.

**1.13 Segment Reporting**

**A. Business Segments:**

Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is engaged in corporate services and solutions provider. The Company emerged as are a one stop solution provider for various corporate needs. The Company offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc.

**B. Geographical Segments:**

The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 2**  
**SHARE CAPITAL**

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs	Rs. In Lakhs
<b>Authorised</b>				
10000 Equity Shares of Rs.10/- each	-	1.00	1.00	1.00
11,000,000 Equity Shares of Rs.10/- each	1,100.00			
<b>Issued, Subscribed &amp; Fully Paid-up</b>				
10000 Equity Shares of Rs.10/- each fully paidup	1.00	1.00	1.00	1.00
75,00,000 Equity Shares of Rs.10/- each fully paidup	750.00	-	-	-
<b>Total</b>	<b>751.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

**NOTE 2A : Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Shares outstanding at the beginning of the year	10,000.00	1,000.00	1,000.00	1,000.00
Shares Issued during the year	75,00,000.00	-	-	-
Additional shares after splitting during the year	-	9,000.00	-	-
Shares outstanding at the end of the year	<b>75,10,000.00</b>	<b>10,000.00</b>	<b>1,000.00</b>	<b>1,000.00</b>

Notes:

- a. The Authorised Share Capital of the company was increased from 10000 Equity Shares of Rs.10/- each to 1,10,00,000 Equity Shares of Rs. 10/- each vide resolution passed in EGM dated 27th April, 2022.
- b. The Company Has Subdivided each Equity Share of the nominal value of Rs.100/- (Rupees One Hundred only) each, into 10 (Ten) Equity Shares of Face Value Rs.10/- (Rupees Ten only) each fully paid up, Vide Resolution Passed In Members Meeting Dated 24th March, 2022.
- d. The company issued 75,00,000 equity shares of Rs. 10/- each as bonus shares in the ratio of 1:750 (i.e. 5 (Seven hundred and fifty) Fully paid Bonus Shares of Rs.10/- each will be allotted against the holding of 1 (One) equity shares of the Company) vide EGM resolution passed on 22nd June, 2022.

**NOTE 2B: Term/rights attached to equity shares:**

The Company has only one class of equity shares having a par value of Rs 10 per share. Holder of each equity share is entitled to one vote. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the board of directors is subject to the approval of shareholders at the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution to equity shareholders will be in proportion to the number of equity shares held by the shareholders.

**NOTE 2C : Shares held by promoters at the end of the period**

Sl. No.	Promoter Name	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020	% Change during the period
		No. of Shares	No. of Shares	No. of Shares	No. of Shares	
1	Balakrishna Sukumr Balakrishna	73,59,775	9,800	980	980	74999.74%
<b>Total</b>		<b>73,59,775</b>	<b>9,800</b>	<b>980</b>	<b>980</b>	

**NOTE 2D : The details of Shareholders holding more than 5% shares:**

Sl.No	Name of Shareholder	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
		No. of Shares held	No. of Shares held	No. of Shares held	No. of Shares held
1	Balakrishna Sukumr Balakrishna	73,59,775	9,800	980	980

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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 3  
RESERVE & SURPLUS**

Annexure - VI  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>Surplus/(Deficit) in Statement of Profit &amp; Loss</b>				
Opening balance	1,841.72	1,050.09	540.93	179.39
Add/(Less): Net Profit/(Net Loss) for the current year	610.28	791.63	509.16	361.55
Surplus of the year	2,452.00	1,841.72	1,050.09	540.93
Less: Bonus Issue	750.00	-	-	-
<b>Closing Balance</b>	<b>1,702.00</b>	<b>1,841.72</b>	<b>1,050.09</b>	<b>540.93</b>
<b>Total</b>	<b>1,702.00</b>	<b>1,841.72</b>	<b>1,050.09</b>	<b>540.93</b>

**NOTE 4  
LONG TERM BORROWINGS**

Annexure - VII  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>(a) Secured Loan</b>	-	-	-	-
<b>(b) Unsecured Loan</b>				
<b>Term Loans from Banks &amp; NBFC's</b>				
Bajaj Finserv Ltd.	48.40	54.49	-	-
ICICI Bank Car Loan_LACHE00043165186	11.81	16.62	24.37	-
ICICI Bank_Car Loan_LACHE00044913200	14.86	18.48	-	-
ICICI Bank_Business Loan_UPCHE00041611070	5.02	11.54	21.45	30.00
IDFC Bank	5.11	11.75	21.88	30.60
RBL Bank	8.41	19.29	35.82	50.00
<b>(c) From Other Parties</b>				
Loan from Directors	-	-	-	-
<b>Total</b>	<b>93.62</b>	<b>132.17</b>	<b>103.52</b>	<b>110.60</b>
<b>(iii) Less: Current Maturities of Long Term Debts</b>	<b>45.14</b>	<b>57.92</b>	<b>44.32</b>	<b>34.53</b>
<b>Total (i) + (ii) - (iii)</b>	<b>48.48</b>	<b>74.25</b>	<b>59.20</b>	<b>76.07</b>

Particulars	As at 31.10.2022 (Rs. in Lakhs)	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)	As at 31.03.2020 (Rs. in Lakhs)	Repayment Details
<b>Details of Unsecured Loans from Bank &amp; NBFC's :-</b>					
Bajaj Finserv Ltd.	48.40	54.49	-	-	Repayable in 60 monthly installments of Rs.1.28/- Lakhs Each starting from August 02, 2021 and ending on July 02, 2026. ROI 9.50% p.a.
ICICI Bank Car Loan_LACHE00043165186	11.81	16.62	24.37	-	Repayable in 36 monthly installments of Rs.0.78/- Lakhs Each starting from March 10, 2021 and ending on February 10, 2024. ROI 7.65% p.a.
ICICI Bank_Car Loan_LACHE00044913200	14.86	18.48	-	-	Repayable in 36 monthly installments of Rs.0.62/- Lakhs Each starting from Jan 05, 2022 and ending on December 05, 2024. ROI 7.26% p.a.
ICICI Bank_Personal Loan_UPCHE00041611070	5.02	11.54	21.45	30.00	Repayable in 36 monthly installments of Rs.1.04/- Lakhs Each starting from April 10, 2022 and ending on March 03, 2023. ROI 15.35% p.a.
IDFC Bank	5.11	11.75	21.88	30.60	Repayable in 36 monthly installments of Rs.1.06/- Lakhs Each starting from April 02, 2020 and ending on March 02, 2023. ROI 14.99% p.a.
RBL Bank	8.41	19.29	35.82	50.00	Repayable in 36 monthly installments of Rs.1.74/- Lakhs Each starting from April 05, 2020 and ending on March 05, 2023. ROI 15.50% p.a.

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**NOTES TO RESTATED FINANCIAL INFORMATION**

<b>NOTE 5</b>				
<b>DEFERRED TAX LIABILITIES/(ASSETS) (NET)</b>				
				Annexure - VIII (Rs. In Lakhs)
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting and gratuity provision	(10.00)	(6.72)	(3.16)	(2.18)
<b>Total</b>	<b>(10.00)</b>	<b>(6.72)</b>	<b>(3.16)</b>	<b>(2.18)</b>

<b>NOTE 6</b>				
<b>LONG TERM PROVISIONS</b>				
				Annexure - IX (Rs. In Lakhs)
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Provisions for Gratuity	17.34	7.39	2.94	0.96
	-	-	-	-
<b>Total</b>	<b>17.34</b>	<b>7.39</b>	<b>2.94</b>	<b>0.96</b>

<b>NOTE 7</b>				
<b>SHORT TERM BORROWINGS</b>				
				Annexure - X (Rs. In Lakhs)
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
<b>(a) Current maturities of Long term Loans</b>				
-for Secured Term Loans taken from Banks	-	-	-	-
-for Unsecured Term Loans taken from Banks & NBFC's	45.14	57.92	44.32	34.53
<b>(b) Loans repayable on demand from banks</b>				
(c) Deferred payment liabilities	-	-	-	-
<b>Total</b>	<b>45.14</b>	<b>57.92</b>	<b>44.32</b>	<b>34.53</b>

<b>NOTE 8</b>				
<b>TRADE PAYABLES</b>				
				Annexure - XI (Rs. In Lakhs)
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Trade Payables- Due to Other than MSME	1,468.09	1,808.48	1,476.47	813.26
<b>Total</b>	<b>1,468.09</b>	<b>1,808.48</b>	<b>1,476.47</b>	<b>813.26</b>

Notes: 1. Balances of Trade payables are subjected to balance confirmations  
2. Details of MSME creditors are certified by the management

<u>Sundry Creditors due to other than MSME</u>	Ageing Schedule of Trade Payable				Total
	Less than 1 year	1-2 yrs	2-3 yrs	More Than 3 yrs	
As at 31.10.2022	184.74	1,283.35	-	-	1,468.09
As at 31.03.2022	1241.32	567.16	-	-	1,808.48
As at 31.03.2021	27.38	1,449.09	-	-	1,476.47
As at 31.03.2020	813.26	-	-	-	813.26

<b>NOTE 9</b>				
<b>OTHER CURRENT LIABILITIES</b>				
				Annexure - XII (Rs. In Lakhs)
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Statutory Dues	18.58	365.07	473.68	210.37
Salary Payable	6.68	6.59	10.35	6.53
Advance from Customers	430.85	491.44	465.00	502.15
Payable to Innokaiz Enterprise	-	-	40.97	-
Liability for expenses	-	-	-	-
<b>Total</b>	<b>456.11</b>	<b>863.10</b>	<b>989.99</b>	<b>719.05</b>

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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 10**  
**SHORT TERM PROVISIONS**

Annexure - XIII  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Provision For Expenses	58.36	39.89	65.04	252.66
Provision For Gratuity	2.13	0.56	0.22	0.08
Provision for Income Tax	214.50	278.18	181.81	129.85
<b>Total</b>	<b>275.00</b>	<b>318.62</b>	<b>247.07</b>	<b>382.58</b>

**NOTE 12**  
**OTHER NON CURRENT INVESTMENTS**

Annexure - XIV  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Investment in Property	365.57	363.92	276.17	
Investment in MF	8.00	1.00	-	
Investment in Quoted Shares (Market Value of Quoted Shares as on 31.10.2022 is Rs. 31.70 lacs)	17.09			
<b>Total</b>	<b>390.65</b>	<b>364.92</b>	<b>276.17</b>	<b>-</b>

**NOTE 13**  
**TRADE RECEIVABLES**

Annexure - XV  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Outstanding for more than six months				
Unsecured, considered good	790.42	637.58	1,742.43	-
Others				
Unsecured, considered good	457.44	1,513.52	27.38	673.55
<b>Total</b>	<b>1,247.86</b>	<b>2,151.10</b>	<b>1,769.81</b>	<b>673.55</b>

Notes: Balances of Trade receivables are subjected to balance confirmations

PARTICULARS	Ageing Schedule of Trade Receivable				
	Less than 6 months	6 months- 1 year	1-2 yrs	2-3 yrs	More Than 3 yrs
As at 31.10.2022	457.44	790.42			
As at 31.03.2022	1,513.52	637.58	-	-	-
As at 31.03.2021	27.38	1,468.55	273.88	-	-
As at 31.03.2020	673.55				-

**NOTE 14**  
**CASH AND CASH EQUIVALENTS**

Annexure - XVI  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
a. Balances with banks				
In Current Accounts	121.94	458.30	460.64	893.42
Deposits with maturity of less than one year	121.80	350.00	195.36	
b. Cash in hand (As certified by the management)	0.34	0.76	0.22	0.85
<b>Total</b>	<b>244.09</b>	<b>809.06</b>	<b>656.21</b>	<b>894.28</b>

**NOTE 15**  
**SHORT TERM LOANS AND ADVANCES**

Annexure - XVII  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Unsecured & Considered Good				
Advances recoverable in cash or kind				
Advance Against Property	484.21	486.70	420.58	-
Advance for Rent	5.60	5.60	5.60	-
Advance to supplier	1,169.81	122.96	-	-
Accrued Interest	5.90	4.01	1.51	-
Others Loans & Advances	291.75	45.40	35.00	593.64
<b>Total</b>	<b>1,957.27</b>	<b>664.67</b>	<b>462.69</b>	<b>593.64</b>



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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 16**  
**OTHER CURRENT ASSETS**

Annexure - XVIII  
(Rs. In Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Others Current Assets	-	-	180.48	387.66
Tax Deducted Source	634.84	737.85	479.65	-
GST	235.31	183.78	-	-
<b>Total</b>	<b>870.15</b>	<b>921.63</b>	<b>660.13</b>	<b>387.66</b>

Note: GST amount includes Rs. 50 lacs was deposited through DRC-03 challan against a show cause notice issued by DGGI, BZU on 30.09.2022 vide notice no. F. No DGGI/INV/GST/3104/2021, regarding availing of GST ITC amounting to Rs. 232.43 lacs. This also may impact taxability as per Income Tax Act in coming years.

**NOTE 17**  
**REVENUE FROM OPERATIONS**

Annexure - XIX  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>(a) Sales of Services</b>				
Contract Charges Received				
Chennai Sales	14,863.59	15,835.39	14,324.22	8,969.95
Hydrabad Sales	-	313.01	300.34	357.23
Mumbai Sales	-	12,444.29	3,870.45	4,542.57
Net Revenue from operations	<b>14,863.59</b>	<b>28,592.69</b>	<b>18,495.01</b>	<b>13,869.74</b>

**NOTE 18**  
**OTHER INCOME**

Annexure - XX  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
<b>Related to Business:</b>				
<b>Not Related to Business:</b>				
<b>Non-recurring in nature:</b>				
Interest Income	10.28	15.09	10.59	-
Capital Gain	-	-	0.61	-
Rental Income	0.70	1.30	-	-
Interest on Income Tax Refund	8.91	-	-	2.70
Dividend Income	0.04	-	-	-
<b>Total</b>	<b>19.93</b>	<b>16.39</b>	<b>11.20</b>	<b>2.70</b>

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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 19**  
**COST OF OPERATIONS**

Annexure - XXI  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Purchase of Services & Materials	12,787.23	21,469.04	13,802.67	8,893.42
Gift Card Purchase	195.14	4,716.41	2,829.65	1,885.43
Amazon Gift Voucher	774.01	823.02	586.28	1,954.25
Promoting Activities	85.57	215.46	338.32	321.54
<b>Total</b>	<b>13,841.95</b>	<b>27,223.93</b>	<b>17,556.92</b>	<b>13,054.64</b>

**NOTE 20**  
**EMPLOYEES BENEFITS EXPENSE**

Annexure - XXII  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Salaries, Wages & Bonus	46.49	41.65	31.09	25.99
Director's Remuneration	45.28	80.53	64.20	40.00
Contribution to ESI	0.62	0.67	0.32	0.07
Contribution to EPF	3.02	3.30	1.20	-
Gratuity Expenses	11.53	4.79	2.12	0.41
Staff Welfare Expenses	0.20	7.59	10.73	11.33
<b>Total</b>	<b>107.14</b>	<b>138.53</b>	<b>109.65</b>	<b>77.79</b>

**NOTE 21**  
**FINANCE COST**

Annexure - XXIII  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Bank Charges	0.04	0.36	0.17	0.09
Interest on Term Loan	7.17	15.20	14.90	-
Loan Processing charges	-	0.60	-	-
<b>Total</b>	<b>7.21</b>	<b>16.17</b>	<b>15.07</b>	<b>0.09</b>

**INNOKAIZ INDIA LIMITED**  
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**NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 22**  
**DEPRECIATION & AMORTIZATION EXPENSES**

Annexure - XXIV  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Depreciation on Property, Plant & Equipment and Intangible assets	11.25	18.40	7.11	7.57
<b>Total</b>	<b>11.25</b>	<b>18.40</b>	<b>7.11</b>	<b>7.57</b>

**NOTE 23**  
**OTHER EXPENSES**

Annexure - XXV  
(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Audit Fees	1.00	1.50	0.90	0.90
Business promotion expenses	18.18	38.26	31.16	68.04
Consumables	0.16	1.65	1.55	5.55
Courier Charges	0.09	1.15	1.08	4.15
CSR activity	0.25	9.55	5.76	1.85
Electricity Expenses	2.67	2.75	1.64	1.59
EPF & ESI Damges Challan	-	-	-	0.13
Event expenses	10.02	34.65	26.61	95.58
Insurance expenses	0.75	3.27	1.28	0.26
Interest on tds	-	-	-	1.13
Marketing and sales promotion	-	-	-	-
Office Event Expenses	-	-	4.35	3.28
Office expenses	32.60	5.55	6.87	7.31
Petrol Expenses	0.40	1.10	1.16	3.22
Pooja expenses	0.05	3.15	2.45	2.15
Printing & Stationery	0.14	9.38	8.56	4.51
Rent Rates & taxes	1.58	2.74	5.90	6.50
Repairs & Maintanance	1.42	6.55	5.54	8.04
Signage Board Expenses	-	0.26	0.25	-
Telephone Charges	0.39	2.50	2.24	2.75
Transportation	-	-	0.35	0.76
Travelling and conveyance	7.27	6.46	10.21	18.26
<b>Total</b>	<b>76.99</b>	<b>130.47</b>	<b>117.86</b>	<b>235.98</b>

**\*Details of Payment to Auditors**

(Rs. In Lakhs)

Particulars	For the period ended 31.10.2022	For the year ended 31.03.2022	For the year ended 31.03.2021	For the year ended 31.03.2020
Details of Payments to Auditor				
Statutory Audit	1.00	1.50	0.90	0.90
<b>Total</b>	<b>1.00</b>	<b>1.50</b>	<b>0.90</b>	<b>0.90</b>

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**NOTE 11**

**Property, Plant & Equipment & Intangible Assets**

Annexure - XXVI  
(Rs. In Lakhs)

As on 31.10.2022

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at	Additions	Disposal	As at	As at	For the	Adjustment	As at	As at	As at
	01.04.2022			31.10.2022	01.04.2022	Year		31.10.2022	31.10.2022	31.03.2022
<b>Tangible Assets</b>										
Furniture & Fixture	31.87	-		31.87	16.60	2.31		18.90	12.96	15.27
Computer	3.33	-	-	3.33	3.14	0.02	-	3.16	0.17	0.18
Office Equipment	0.53	-	-	0.53	0.32	0.05	-	0.38	0.16	0.21
Motor Car	58.56	-	-	58.56	19.85	8.88	-	28.73	29.83	38.71
<b>Total</b>	<b>94.29</b>	<b>-</b>	<b>-</b>	<b>94.29</b>	<b>39.92</b>	<b>11.25</b>	<b>-</b>	<b>51.17</b>	<b>43.12</b>	<b>54.37</b>
<b>Intangible assets</b>										
Total	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>94.29</b>	<b>-</b>	<b>-</b>	<b>94.29</b>	<b>39.92</b>	<b>11.25</b>	<b>-</b>	<b>51.17</b>	<b>43.12</b>	<b>54.37</b>

As on 31.03.2022

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at	Additions	Disposal	As at	As at	For the	Adjustment	As at	As at	As at
	01.04.2021			31.03.2022	01.04.2021	Year		31.03.2022	31.03.2022	31.03.2021
<b>Tangible Assets</b>										
Furniture & Fixture	28.47	3.40	-	31.87	11.50	5.10	-	16.60	15.27	16.96
Computer	3.33	-	-	3.33	3.10	0.05	-	3.14	0.18	0.23
Office Equipment	0.53	-	-	0.53	0.16	0.16	-	0.32	0.21	0.38
Motor Car	32.09	26.46	-	58.56	6.76	13.09	-	19.85	38.71	25.33
<b>Total</b>	<b>64.42</b>	<b>29.86</b>	<b>-</b>	<b>94.29</b>	<b>21.52</b>	<b>18.40</b>	<b>-</b>	<b>39.92</b>	<b>54.37</b>	<b>42.90</b>
<b>Intangible assest</b>										
Total	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>64.42</b>	<b>29.86</b>	<b>-</b>	<b>94.29</b>	<b>21.52</b>	<b>18.40</b>	<b>-</b>	<b>39.92</b>	<b>54.37</b>	<b>42.90</b>
Capital Work-in Progress#	-	-	-	-	-	-	-	-	-	-

**INNOKAIZ INDIA LIMITED**  
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As on 31.03.2021

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Additions	Disposal	As at	As at	For the year	Adjustment	As at	As at	
	01.04.2020			31.03.2021	01.04.2020			31.03.2021	31.03.2021	31.03.2020
<b>Tangible Assets</b>										
Furniture & Fixture	20.31	8.15	-	28.47	7.58	3.93	-	11.50	<b>16.96</b>	12.73
Computer	3.33	-	-	3.33	2.70	0.40	-	3.10	<b>0.23</b>	0.63
Office Equipment	0.08	0.45	-	0.53	0.05	0.11	-	0.16	<b>0.38</b>	0.04
Motor Car	7.76	24.33	-	32.09	4.09	2.68	-	6.76	<b>25.33</b>	3.68
total	31.48	32.94	-	64.42	14.41	7.11	-	21.52	42.90	17.07
<b>Intangible assest</b>										
Total	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>31.48</b>	<b>32.94</b>	-	<b>64.42</b>	<b>14.41</b>	<b>7.11</b>	-	<b>21.52</b>	<b>42.90</b>	17.07
Capital Work-in Progress#	-	-	-	-	-	-	-	-	-	-

As on 31.03.2020

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As at	Additions	Disposal	As at	As at	For the year	Prior period Adjustment	As at	As at	
	01.04.2019			31.03.2020	01.04.2019			31.03.2020	31.03.2020	31.03.2019
<b>Tangible Assets</b>										
Furniture & Fixture	20.31	-	-	20.31	2.46	4.45	0.67	7.58	<b>12.73</b>	17.18
Computer	3.13	0.20	-	3.33	0.31	0.73	1.66	2.70	<b>0.63</b>	1.15
Office Equipment	0.08	-	-	0.08	-	0.01	0.04	0.05	<b>0.04</b>	0.04
Motor Car	7.76	-	-	7.76	0.39	2.38	1.32	4.09	<b>3.68</b>	6.06
Total	31.28	0.20	-	31.48	3.16	7.57	3.68	14.41	17.07	24.44
<b>Intangible assest</b>										
Total	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>31.28</b>	<b>0.20</b>	-	<b>31.48</b>	<b>3.16</b>	<b>7.57</b>	<b>3.68</b>	<b>14.41</b>	<b>17.07</b>	24.44
Capital Work-in Progress#	-	-	-	-	-	-	-	-	-	-

**INNOKAIZ INDIA LIMITED**  
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**ADDITIONAL NOTES TO RESTATED FINANCIAL INFORMATION**

**NOTE 1.14- DEFERRED TAX**

(Rs. in Lakhs)

Particulars	31.10.2022	2021-2022	2020-2021	2019-2020
Depreciation as per Companies Act, 2013	11.25	18.40	7.11	11.25
Depreciation as per Income Tax Act, 1961	9.73	9.05	5.32	3.63
Provision for Gratuity	11.53	4.79	2.12	1.04
<b>Differential Net Timing Difference [A]</b>	13.05	14.13	3.91	8.65
<b>Deferred Taxes (Debited) / Credited to the Statement of Profit &amp; Loss</b>	3.28	3.56	0.98	2.18
<b>Closing DTA/(DTL)</b>	<b>10.00</b>	<b>6.72</b>	<b>3.16</b>	<b>2.18</b>

**NOTE 1.15 - BASIC AND DILUTED EARNINGS PER SHARE**

Particulars		31.10.2022	2021-2022	2020-2021	2019-2020
Profit after Tax	Rs. In Lakhs	610.28	791.63	509.15	361.55
Present Number of equity shares	Nos.	75,10,000	10,000	1,000	1,000
Weighted average number of Equity shares	Nos.	75,10,000	75,10,000	75,10,000	75,10,000
Basic earnings per share	Rupees	8.13	10.54	6.78	4.81
Diluted Earning per Share	Rupees	8.13	10.54	6.78	4.81

**NOTE 1.16 - Earning and Expenditure in Foreign currency**

Earnings in Foreign Currency - Nil (Previous year NIL)  
 Expenditure in Foreign Currency - Nil (Previous Year- NIL)

**NOTE 1.17 - Contingent Liabilities not provided for**

The company was issued a show cause notice from DGGI, BZU on 30.09.2022 vide notice no. F. No DGGI/INV/GST/3104/2021, regarding availing of GST ITC amounting to Rs. 232.43 lacs. The company has deposited Rs. 50 lacs through DRC-03 challan. However the company has filed a writ petition against the order. This also may impact taxability as per Income Tax Act in coming years.

**NOTE 1.18-**

Medium Enterprises Development Act, 2006 and hence disclosures has been made only for the parties from whom the declaration has been received. In respect of other vendors from whom declaration has not been received disclosure has not been made for those which have not been received disclosure has not been made.

**NOTE 1.19** - Party's Balance with respect to the Trade Receivables, Trade & Other Payables, Loans & advances are subject to confirmation/reconciliation. In the opinion of management, the same are receivable/ payable as stated in the books of accounts. Hence, no effect on the profitability due to the same for the year under review.

**NOTE 1.20** - Previous year's figure have been regrouped/rearranged whenever necessary to conform to the current year's presentation.

**For. GUPTA AGARWAL & ASSOCIATES**

*Chartered Accountants*

FRN: 329001E

**JAY SHANKER GUPTA**

*(Partner)*

Membership No. 059535

UDIN: 23059535BGSWTG5748

Place: Kolkata

Date: April 18, 2023

**For & on behalf of the board of directors,**

Sd/-

**BALAKRISHNAN SUKUMARBALAKRISHNAN**

**Director**

DIN: 06464374

Sd/-

**SELVARAJ DURAIRAJ**

**Director**

DIN: 08181614

Sd/-

**BALARAMAN SUGANTHI**

**Chief Financial Officer**

Sd/-

**MAMTA SAINI**

**Company Secretary & Compliance Officer**

Place: Chennai

Date: April 17, 2023



**INNOKAIZ INDIA LIMITED**  
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**STATEMENT OF RELATED PARTY TRANSACTIONS**

Annexure - XXVII

**NOTE 1.21 : Related Party Disclosures**

**A. List of Related parties**

Sl. No.	Name	Relation
<b>Key Mangerial Personnel</b>		
1	Sukumar Balakrishnan	Managing Director
2	Selvaraj Durairaj	Director
3	Balaraman Suganthi	CFO

**Relative of Key Mangerial Personnel**

**Enterprises having Significant Influence**

1	Innokaiz Enterprise
2	Taiyangxi Properties & Infrastructure Pvt. Ltd.
3	Brainstorm Automotive Private Limited

(Rs. in Lakhs)

**AS ON 31.10.2022**

A. Transactions with Related Parties during the period	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
<b>Director Remuneration</b>	45.28			
Advance Paid		-		
Repayment received of Advance given		2.00		

B. Outstanding Balances	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
Receivable/(Payable)		10.00		

**AS ON 31.03.2022**

A. Transactions with Related Parties during the period	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
<b>Director Remuneration</b>	80.53			
Advance Paid		189.80		
Advance Receipt		143.84		

B. Outstanding Balances	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
Receivable/(Payable)		11.92		

**AS ON 31.03.2021**

A. Transactions with Related Parties during the year	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
<b>Director Remuneration</b>	64.20			
Advance Paid		180.02		
Advance Receipt	5.00	158.04		

B. Outstanding Balances	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
Payable/(Receivable)		- 34.05		

**AS ON 31.03.2020**

A. Transactions with Related Parties during the year	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
<b>Director Remuneration</b>	40.00			
Advance Paid	5.00	128.83		
Advance Receipt		184.85		

B. Outstanding Balances	KMP	Relative of KMP	Holding Company	Enterprises having Significant Influence
Nature of Transactions				
Receivable/(Payable)	5.00	- 56.02		

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Annexure - XXVIII

**Restated Statement of Adjustments to Audited Financial Statements**

(Rs. in Lakhs)

**(i) Reconciliation of Restated Profit:**

The reconciliation of Profit after tax as per audited financial statements and the Profit after tax as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit / loss of the company

Particulars	As at 31st October'22	For the year ended 31st March'22	For the year ended 31st March'21	For the year ended 31st March'20
<b>Profit after tax as per audited/ re-audited financial statements</b>	610.28	771.68	523.69	375.38
<b>(i) Adjustments on account of change in accounting policies:</b>		-	-	-
<b>(ii) Other material adjustments:</b>		-	-	-
Employee benefit expenses - Gratuity	0.00	3.15	(2.12)	(1.04)
CSR Expenses	0.00	9.62	(9.62)	(3.04)
Finance cost	(0.00)	0.00	(0.17)	(0.09)
Depreciation and amortization expense	(0.00)	10.64	(2.53)	(8.09)
Other Expenses	0.00	0.00	3.20	0.08
Income tax adjustments	(0.00)	0.00	(4.92)	(4.36)
Mat credit entitlement				
Deferred tax adjustment	0.00	(3.47)	1.61	2.69
<b>(iii) Audit Qualifications:</b>		-	-	-
<b>Restated profit after tax</b>	<b>610.28</b>	<b>791.63</b>	<b>509.15</b>	<b>361.55</b>

**Notes:-** Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

**(ii) Reconciliation of Restated Shareholders Funds:**

The reconciliation of Shareholder's funds as per audited financial statements and Shareholder's funds as per Restated financial statements is presented below. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on Shareholder's funds of the company.

Particulars	As at 31st October'22	As at 31st March'22	As at 31st March'21	As at 31st March'20
<b>Shareholder's funds as per Audited/ Re-audited financial statements</b>	<b>2,461.43</b>	<b>1,851.14</b>	<b>1,079.45</b>	<b>555.77</b>
<b>(i) Adjustments on account of change in accounting policies:</b>	-	-	-	-
<b>(ii) Differences carried over pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	(8.43)	(28.37)	(13.83)	-
<b>(iii) Differences pertaining to changes in Profit/ Loss due to Restated Effect for the period covered in Restated Financial</b>	(0.00)	19.95	(14.54)	(13.83)
<b>(iv) Other material adjustments # :</b>	-	-	-	-
<b>(v) Audit Qualifications:</b>	-	-	-	-
<b>Restated Shareholder's funds</b>	<b>2,453.00</b>	<b>1,842.71</b>	<b>1,051.08</b>	<b>541.93</b>

**Note:** Explanatory notes to the above restatements made in the audited financial statements of the Company for the respective years/ period.

**Adjustments having impact on Profit:**

Amounts relating to the prior period have been adjusted in the year to which the same relates to and the same amount is arrived on account of change in Opening Balance of Reserves & Surplus due to the restated effect on the Profit/ (Loss) of prior period.

**To give Explanatory Notes regarding Adjustments:**

Appropriate adjustments have been made in the restated financial statements, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited financials of the Company for all the years and the requirements of the SEBI (ICDR) Regulations, 2018.

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Annexure XXIX

**STATEMENT OF CAPITALISATION**

(Rs. in Lakhs)

PARTICULARS	Pre-Offer 31.10.2022	Post-Offer
<b>Debt</b>		
- Short Term Debt	-	-
- Long Term Debt	93.62	-
<b>Total Debt</b>	<b>93.62</b>	-
<b>Shareholders' Fund (Equity)</b>		
- Share Capital	751.00	-
- Reserves & Surplus	1,702.00	-
<b>Total Shareholders' Fund (Equity)</b>	<b>2,453.00</b>	-
<b>Long Term Debt / Equity (In Ratio)</b>	0.04	-
<b>Total Debt / Equity (In Ratio)</b>	0.04	-

**Notes:-**

1. Short Term Debts represent which are expected to be paid/payable within 12 months and exclude installments of Term Loans repayable within 12 months.
2. Long Term Debts represent debts other than Short Term Debts as defined above but include installments of Term Loans repayable within 12 months grouped under short term borrowings.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/10/2022
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

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Annexure XXX

**OTHER FINANCIAL INFORMATION**

(Rs. in Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Net Worth (A)	2,453.00	1,842.72	1,051.09	541.93
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	839.96	1,100.81	712.16	496.68
Restated Profit after tax	610.28	791.63	509.15	361.55
Add: Prior Period Item	-	-	-	-
Adjusted Profit after Tax(B)	610.28	791.63	509.15	361.55
Number of Equity Share outstanding as on the End of Year / Period (C)	7510000	10000	1000	1000
Weighted average no of Equity shares as on the end of the period year(D) {After split and Bonus(Kindly refer Point no. 6 &7 to this annexure)}				
- Before bonus (D(i))	7510000	10000	10000	10000
- After split & bonus (D(ii))	7510000	7510000	7510000	7510000
Face Value per Share	10.00	10.00	100.00	100.00
Restated Basic & Diluted Earnings Per Share (Rs.) (B/D)				
- Before bonus (B/D(i))	8.13	7,916.28	5,091.48	3,615.46
- After split & bonus (B/D(ii))	8.13	10.54	6.78	4.81
Return on Net worth (%) (B/A)	24.88%	42.96%	48.44%	66.71%
Net asset value per share (A/D.1(i)) (Before bonus)	32.66	18,427.19	10,510.91	5,419.33
Net asset value per share (A/D.1(ii)) (After bonus)	32.66	24.54	14.00	7.22

**Notes:-**

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

Restated Profit after Tax available to equity shareholders

Weighted average number of equity shares outstanding at the end of the year / period

(ii) Net Asset Value (NAV) per Equity Share

Restated Net Worth of Equity Share Holders

Number of equity shares outstanding at the end of the year / period

(iii) Return on Net worth (%)

Restated Profit after Tax available to equity shareholders

Restated Net Worth of Equity Share Holders

2. EBITDA represents Earnings (or Profit/ (Loss)) before Finance Costs, Income Taxes, and Depreciation and Amortization Expenses. Extraordinary and Exceptional Items have been considered in the calculation of EBITDA as they were expense items.

3. Net Profit as restated, as appearing in the Statement of Profit and Losses, has been considered for the purpose of computing the above ratios. These ratios are computed on the basis of the Restated Financial Information of the Company.

4. Earnings per share calculations are done in accordance with Accounting Standard 20 "Earning per Share", issued by the Institute of Chartered Accountants of India.

5. Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the period adjusted by the number of Equity Shares issued during period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.

6. The Company Has Subdivided each Equity Share of the nominal value of Rs.100/- (Rupees One Hundred only) each, into 10 (Ten) Equity Shares of Face Value Rs.10/- (Rupees Ten only) each fully paid up, Vide Resolution Passed In Members Meeting Dated 24th March, 2022, effect of this bonus issue has been considered to calculate EPS.

7. The Company has Issued Bonus Shares of 7500000 equity shares of Rs 10 each in the ratio of 1:750 (i.e issue of 750 equity shares against one shares held) vide EGM date 27th April,2022 and allotted on 22nd June,2022, effect of this bonus issue has been considered to calculate EPS.

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Annexure XXXI

**RESTATED STATEMENT OF TAX SHELTER**

(Rs. in Lakhs)

Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Net Profit/(Loss) before taxes (A)	821.50	1,066.25	699.60	489.02
Tax Rate Applicable %	25.17%	25.17%	25.17%	25.17%
Minimum Alternate Taxes (MAT)	15.60%	15.60%	15.60%	15.60%
<b>Adjustments</b>				
Add: Depreciation as per Companies act	11.25	18.40	7.11	7.57
Add: Disallowance under Income Tax Act, 1961	29.26	29.69	21.26	22.21
Less: Taxable under other heads of income	-	16.39	11.20	2.70
Less: Depreciation as per Income Tax Act, 1961	9.73	9.05	5.32	3.63
Less: Deductions under Income Tax Act, 1961			-	
Less : Brought forward business/profession losses U/s.72(1) of Income Tax Act		-		
<b>Net Adjustments(B)</b>	<b>30.78</b>	<b>22.64</b>	<b>11.85</b>	<b>23.44</b>
<b>Business Income (A+B)</b>	<b>852.28</b>	<b>1,088.89</b>	<b>711.45</b>	<b>512.46</b>
<b>Income from Capital Gains</b>				
Short term Capital Gains:				
Full Value of considerations	-	-	100.61	-
Less: Deduction u/s 48	-	-	100.00	-
<b>Short Term Capital Gain on assets</b>	-	-	<b>0.61</b>	-
<b>Income from Other Sources</b>	-	-	-	-
Interest Income	-	16.39	10.59	2.70
Interest on security Deposit	-	-	-	-
Damages and claims received	-	-	-	-
Gross Total/ Taxable Income	852.28	1,105.28	722.65	515.16
Less: Deductions U/S 80JJAA				-
<b>Net Total/ Taxable Income</b>	<b>852.28</b>	<b>1,105.28</b>	<b>722.65</b>	<b>515.16</b>
Unabsorbed Depreciation			-	-
Tax Payable as per Normal Rate	214.50	278.18	181.72	129.66
Tax Payable as per Special Rate:	-	-	0.09	-
Interest payable on above	-	-	-	-
<b>Tax as per Income Tax (C)</b>	<b>214.50</b>	<b>278.18</b>	<b>181.81</b>	<b>129.66</b>
Adjusted Book Profits for Computation of MAT U/s 115JB	821.50	1,066.25	699.60	489.02
Tax Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	128.15	166.33	109.14	76.29
Interest payable on above		-		
<b>Tax as per MAT (D)</b>				
<b>Net Tax (Higher of C &amp; D)</b>	<b>214.50</b>	<b>278.18</b>	<b>181.81</b>	<b>129.66</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>214.50</b>	<b>278.18</b>	<b>181.81</b>	<b>129.66</b>

**INNOKAIZ INDIA LIMITED**  
**(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)**  
**CIN: U74900TN2013PLC089349**

Annexure - XXXII

RESTATED STATEMENT OF CONTINGENT LIABILITIES				
(Rs. in Lakhs)				
Particulars	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
GST demand	232.43	232.43	Unascertainable	Unascertainable
Bank Guarantee	Unascertainable	Unascertainable	Unascertainable	Unascertainable
TDS Demand	4.66	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

Note: The company was issued a show cause notice from DGGI, BZU on 30.09.2022 vide notice no. F. No DGGI/INV/GST/3104/2021, regarding availing of GST ITC amounting to Rs. 232.43 lacs. The company has deposited Rs. 50 lacs through DRC-03 challan. However the company has filed a writ petition against the order. This also may impact taxability as per Income Tax Act in coming years.



**INNOKAIZ INDIA LIMITED**  
(Formerly known as INNOKAIZ INDIA PRIVATE LIMITED)  
CIN: U74900TN2013PLC089349

Restated Statement of Accounting Ratios					
					Note: 1.22
Annexure XXXIII					
(Rs. in Lakhs)					
Particulars	NOTES	As at 31.10.2022	As at 31.03.2022	As at 31.03.2021	As at 31.03.2020
Current Assets	[A]	4,319.38	4,546.46	3,548.83	2,549.13
Current Liabilities	[B]	2,244.33	3,048.12	2,757.85	1,949.42
<b>Current Ratio</b>	<b>[A / B]</b>	<b>1.92</b>	<b>1.49</b>	<b>1.29</b>	<b>1.31</b>
Debt	[A]	93.62	132.17	103.52	110.60
Equity	[B]	2,453.00	1,842.72	1,051.09	541.93
<b>Debt - Equity Ratio</b>	<b>[A / B]</b>	<b>0.04</b>	<b>0.07</b>	<b>0.10</b>	<b>0.20</b>
Earnings available for debt service	[A]	839.96	1,100.81	712.16	496.68
Debt Service	[B]	52.35	74.09	59.39	34.62
<b>Debt - Service Coverage Ratio</b>	<b>[A / B]</b>	<b>16.04</b>	<b>14.86</b>	<b>11.99</b>	<b>14.35</b>
Net Profit after Tax	[A]	610.28	791.63	509.15	361.55
Shareholder's Equity	[B]	2,453.00	1,842.72	1,051.09	541.93
<b>Return on Equity Ratio (%)</b>	<b>[A / B]</b>	<b>24.88%</b>	<b>42.96%</b>	<b>48.44%</b>	<b>66.71%</b>
Net Sales	[A]	14,863.59	28,592.69	18,495.01	13,869.74
Trade Receivables	[B]	1,247.86	2,151.10	1,769.81	673.55
<b>Trade Receivables Turnover Ratio</b>	<b>[A / B]</b>	<b>11.91</b>	<b>13.29</b>	<b>10.45</b>	<b>-</b>
Net Purchase	[A]	13,841.95	27,223.93	17,556.92	13,054.64
Trade Payables	[B]	1,468.09	1,808.48	1,476.47	813.26
<b>Trade Payables Turnover Ratio</b>	<b>[A / B]</b>	<b>9.43</b>	<b>15.05</b>	<b>-</b>	<b>-</b>
Net Sales	[A]	14,863.59	28,592.69	18,495.01	13,869.74
Current Assets		4,319.38	4,546.46	3,548.83	2,549.13
Current Liabilities		2,244.33	3,048.12	2,757.85	1,949.42
Working Capital	[B]	2,075.04	1,498.34	790.99	599.71
<b>Working Capital Turnover Ratio</b>	<b>[A / B]</b>	<b>7.16</b>	<b>19.08</b>	<b>23.38</b>	<b>23.13</b>
Net Profit	[A]	610.28	791.63	509.15	361.55
Net Sales	[B]	14,863.59	28,592.69	18,495.01	13,869.74
<b>Net Profit Ratio (%)</b>	<b>[A / B]</b>	<b>4.11%</b>	<b>2.77%</b>	<b>2.75%</b>	<b>2.61%</b>
Earning before interest and taxes	[A]	828.71	1,082.41	705.05	489.11
Capital Employed	[B]	2,501.48	1,916.97	1,110.29	618.00
Capital Employed = Total Equity + Long term Debt					
<b>Return on Capital Employed (%)</b>	<b>[A / B]</b>	<b>33.13%</b>	<b>56.46%</b>	<b>63.50%</b>	<b>79.14%</b>

Notes:

1. Current ratio increased by 29.03% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in current liability for the period ended 31.10.2022
2. Debt Equity ratio changed by 46.79% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in Debt for the period ended 31.10.2022
3. Return on Equity ratio changed by 42.09% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in Net Profit for the period ended 31.10.2022 (not annualised)
4. Trade payable turnover ratio decreased by 37.37% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in net purchase for the period ended 31.10.2022 (not annualised)
5. Working Capital Turnover ratio decreased by 62.46% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in net sale for the period ended 31.10.2022 (not annualised)
6. Net Profit ratio increased by 48.30% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in net turnover for the period ended 31.10.2022 (not annualised)
7. Return on Capital employed decreased by 41.33% for the period ended 31.10.2022 as compared to F.Y. 2021-22 due to decreased in EBIT for the period ended 31.10.2022 (not annualised)

**NOTE 1.23.**

No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- a) Crypto Currency or Virtual Currency
- b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- c) Registration of charges or satisfaction with Registrar of Companies
- d) Relating to borrowed funds
  - i) Wilful defaulter
  - ii) Utilisation of borrowed funds & share premium
  - iii) Borrowings obtained on the basis of security of current assets
  - iv) Discrepancy in utilisation of borrowings
  - v) Current maturity of long term borrowings

**NOTE 1.24. DISCLOSURE OF TRANSACTIONS WITH STRUCK OFF COMPANIES**

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

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

*You should read the following discussion of our financial condition and results of operations together with our Financial Statements as Restated which is included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Financial Statements as Restated, as restated for the stub period ended on October 31, 2022 and financial years ended on March 31, 2022, 2021 and 2020 including the related notes and reports, included in this Red Herring Prospectus is prepared in accordance with requirements of the Companies Act, 2013 and restated in accordance with the SEBI (ICDR) Regulations, 2018, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Financial Statements as Restated will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these Forward-Looking Statements as a result of certain factors such as those described under chapters titled "Risk Factors" and "Forward Looking Statements" beginning on page 28 and 21, respectively of this Red Herring Prospectus.*

*Our Financial Year ends on March 31 of each year. Accordingly, all references to a particular Financial Year are to the 12 months ended March 31 of that year.*

We are a corporate services and solutions provider Company. We have emerged as are a one stop solution provider for various corporate needs. We offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc. Recently, we have also ventured into new business vertical i.e., E – Commerce Business. Our team of experienced and dedicated professionals provide services and solutions that are at the forefront of industry best practice. We thrive to provide the highest level of services on every assignment and to provide best-in-class and cost-effective services and solutions to our clients.

Our Company is promoted by Mr. Sukumar Balakrishnan, who is the guiding force behind all the strategic decisions of our Company and has been an anchor to our company since incorporation. He has a vast corporate and entrepreneurial experience and the frontline force behind the company. In addition to our individual Promoter, our senior management team includes qualified, experienced and skilled professionals who have experience across various sectors. We believe that the stability of our management team and the industry experience of our individual Promoter will enable us to continue to take advantage of future market opportunities and expand into newer markets.

Our Company was incorporated in the name of Innokaiz India Private Limited on January 11, 2013 and since inception we have successfully scaled up our capabilities and evolved as one stop solution for various corporate needs. Our exhaustive client list is the proof of our excellence in reliability of service and quality of products.

### **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 Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the previous twelve months except:

- Our company Subdivided each Equity Share of the face value of Rs.100/- (Rupees One Hundred only) each into 10 (Ten) Equity Shares of Face Value Rs.10/- (Rupees Ten only) each fully paid up /- vide resolution passed in its members meeting dated March 24, 2022.
- The company increased its's Authorised equity share capital from ₹1,00,000/- to ₹110,000,000/- vide resolution passed in its members meeting dated April 27, 2022.
- The Board of our Company has approved to raise funds through initial public offering in the Board meeting held on June 22, 2022.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on June 29, 2022.

- Our Company was converted from a private limited company to public limited company vide resolution passed in its members meeting dated August 25, 2022 and a fresh certificate of incorporation consequent to conversion was issued on September 27, 2022 by the Registrar of Companies, Chennai bearing Corporate Identification Number U74900TN2013PLC089349.
- The Company issued 75,00,000 bonus Equity Shares in the proportion of 1:750 (Seven Hundred and Fifty) fully paid equity shares of ₹10/- each allotted against 1(One) Equity Shares of ₹10/- each vide resolution passed in its members meeting dated April 27, 2022 effect of this bonus issue has been considered to calculate EPS.

### **Factors affecting our results of operations**

Our company's future results of operations could be affected potentially by the following factors:

- Experienced Management team and skilled manpower
- Direct Relationship with Suppliers
- Quality Assurance and Standards
- Established relationship with Subcontractors

### **Our Significant Accounting Policies and Notes**

#### **I. Corporate Information:**

INNOKAIZ INDIA LIMITED is a Public Company domiciled in India originally incorporated as M/S INNOKAIZ INDIA PRIVATE LIMITED vide certificate of incorporation consequent upon conversion to Public Limited Company dated September 27, 2022 issued by Registrar of Companies, Chennai, being Corporate Identification Number U74900TN2013PLC089349. The company engaged in corporate services and solutions provider. The Company emerged as are a one stop solution provider for various corporate needs. The Company offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc.

#### **II. Significant Accounting Policies:**

##### **Basis of preparation of financial statements**

- (a) The financial statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP) under the historical cost convention on accrual basis and on principles of going concern. The accounting policies are consistently applied by the Company.
- (b) The financial statements are prepared to comply in all material respects with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Companies Act, 2013.
- (c) The preparation of the financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialize.

##### **Revenue Recognition**

- (a) The company generally follows the mercantile system of accounting and recognizes Income & Expenditure on accrual basis.
- (b) Sales are recognized at the time o passage of the title that generally coincides with their delivery. Sales are net of GST and Trade discounts.
- (c) Machine and labour charges are recognized as per the job invoices raised during the year.
- (d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **Property, Plant & Equipment and Intangible Assets & Depreciation**

- (a) Fixed Assets are stated at Cost less accumulated depreciation. The Company has capitalized all cost relating to the acquisition and installation of Fixed Assets.
- (b) Depreciation is provided on Fixed Assets on Written down value Method on the basis of Useful Life as prescribed under Part C of Schedule - II of the Companies Act, 2013.
- (c) Cost of the fixed assets not ready for their intended use at the Balance Sheet date together with all related expenses are shown as Capital Work-in-Progress.
- (d) There are no Intangible Assets in the company.

## **Impairment of Assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's net selling price and value in use, which is determined by the present value of the estimated future cash flows.

## **Investments**

Investments classified as long-term investments are stated at cost. Provision is made to recognize any diminution other than temporary in the value of such investments. Current investments are carried at lower of cost and fair value.

## **Inventories**

During the period under review the company does not have any inventory.

## **Employee Benefits**

- Retirement benefit in the form of provident fund is a defined contribution scheme. The contribution to the provident fund is charged to the statement of profit and loss for the year when an employee renders the related services.
- Provision for Gratuity expenses have been considered as per actuarial valuation report for respective years.
- Leave encashment to the employees are accounted for as & when the same is claimed by eligible employees.

## **Borrowing Costs**

- (a) Borrowing costs that are directly attributable to the acquisition of qualifying assets are capitalized for the period until the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.
- (b) Other Borrowing costs are recognized as expense in the period in which they are incurred.

## **Taxes on Income**

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities, computed in accordance with the applicable tax rates and tax laws.

Deferred Tax arising on account of "timing differences" and which are capable of reversal in one or more subsequent periods is recognized, using the tax rates and tax laws that are enacted or substantively enacted. Deferred tax asset is recognized only to the extent there is reasonable certainty with respect to reversal of the same in future years as a matter of prudence.

## **Earnings per Share (EPS)**

- (a) 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.

- (b) 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.

### Prior Period Items

Prior Period and Extraordinary items and Changes in Accounting Policies having material impact on the financial affairs of the Company are disclosed in financial statements.

### Provisions / Contingencies

- (a) Provision involving substantial degree of estimation in measurements is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- (b) Contingent Liabilities are shown by way of notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.
- (c) A Contingent Asset is not recognized in the Accounts.
- (d) The company was issued a show cause notice from DGGI, BZU on September 30, 2022 vide notice no. F. No DGGI/INV/GST/3104/2021, regarding availing of GST ITC amounting to Rs. 232.43 lacs. The company has deposited Rs. 50 lacs through DRC-03 challan. However, the company has filed a writ petition against the order. This also may impact taxability as per Income Tax Act in coming years.
- (e) (e) The company has a contingent outstanding demand of TDS of Rs. 4.66 lacs.

### Segment Reporting

- A) Business Segments:** Based on the guiding principles given in Accounting Standard 17 (AS - 17) on Segment Reporting issued by ICAI, the Company has only one reportable Business Segment, which is engaged in corporate services and solutions provider. Accordingly, the figures appearing in these financial statements relate to the Company's single Business Segment.
- B) Geographical Segments:** The Company activities / operations are confined to India and as such there is only one geographical segment. Accordingly, the figures appearing in these financial statements relate to the Company's single geographical segment.

### Discussion on Results of Operation

The following discussion on results of operations should be read in conjunction with the Audited Financial Results of our Company for the period ended on October 31, 2022 and financial years ended on March 31, 2022, 2021 and 2020.

### Results of Our Standalone Operations

The following table sets forth select financial data from our financial statements as restated of profit and loss for the stub period ended on October 31, 2022 and financial years ended on March 31, 2022, 2021 and 2020 the components of which are also expressed as a percentage of total revenue for such periods:

Particulars	October 31, 2022	% of total income	March 31, 2022	% of total income	March 31, 2021	% of total income	March 31, 2020	% of total income
Revenue from Operations	14,863.59	99.87%	28,592.69	99.94%	18,495.01	99.94%	13,869.74	99.98%
Other income	19.93	0.13%	16.40	0.06%	11.20	0.06%	2.70	0.02%
<b>Total Revenue (A)</b>	<b>14,883.52</b>	<b>100.00%</b>	<b>28,609.09</b>	<b>100.00%</b>	<b>18,506.21</b>	<b>100.00%</b>	<b>13,872.44</b>	<b>100.00%</b>
<b>Expenses:</b>								
Cost of Operation	13,841.95	93.00%	27,223.93	95.16%	17,556.92	94.87%	13,054.64	94.10%
Purchases of Stock-in-trade	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Changes in Inventories	-	0.00%	-	0.00%	-	0.00%	-	0.00%

Employee benefits expense	107.14	0.72%	138.53	0.48%	109.65	0.59%	77.79	0.56%
Other expenses	76.99	0.52%	130.46	0.46%	117.86	0.64%	235.97	1.70%
<b>Total Expenses (B)</b>	<b>14,026.08</b>	<b>94.24%</b>	<b>27,492.92</b>	<b>96.10%</b>	<b>17,784.43</b>	<b>96.10%</b>	<b>13,368.40</b>	<b>96.37%</b>
<b>Earnings Before Interest, Taxes, Depreciation &amp; Amortization(C=A-B)</b>	<b>857.44</b>	<b>5.76%</b>	<b>1,116.15</b>	<b>3.90%</b>	<b>721.78</b>	<b>3.90%</b>	<b>504.04</b>	<b>3.63%</b>
Finance costs (D)	7.21	0.05%	16.17	0.06%	15.07	0.08%	0.09	0.00%
Depreciation and amortization expenses (E)	11.25	0.08%	18.40	0.06%	7.11	0.04%	7.57	0.05%
<b>Profit before exceptional items, extraordinary items and tax (F=C-D-E)</b>	<b>838.98</b>	<b>5.64%</b>	<b>1,081.60</b>	<b>3.78%</b>	<b>699.60</b>	<b>3.78%</b>	<b>496.38</b>	<b>3.58%</b>
<b>Exceptional Items</b>	<b>17.48</b>	<b>0.12%</b>	<b>15.35</b>	<b>0.05%</b>	<b>9.62</b>	<b>0.05%</b>	<b>7.35</b>	<b>0.05%</b>
CSR	17.48	0.12%	15.35	0.05%	9.62	0.05%	3.04	0.02%
Gratuity Provision for earlier years	-	0.00%	-	0.00%	-	0.00%	0.63	0.00%
Prior period item- Depreciation for earlier years	-	0.00%	-	0.00%	-	0.00%	3.68	0.03%
<b>Profit before tax (F=C-D-E)</b>	<b>821.50</b>	<b>5.52%</b>	<b>1,066.25</b>	<b>3.73%</b>	<b>689.98</b>	<b>3.73%</b>	<b>489.03</b>	<b>3.53%</b>
<b>Tax Expenses</b>				0.00%		0.00%		0.00%
- Current Tax	214.50	1.44%	278.18	0.97%	181.81	0.98%	129.66	0.93%
- Short/(Excess) Provision of Earlier Year	-	0.00%	-	0.00%	-	0.00%	-	0.00%
- Deferred Tax	-3.28	-0.02%	-3.56	-0.01%	-0.98	-0.01%	-2.18	-0.02%
<b>Tax Expense For The Year (G)</b>	<b>211.22</b>	<b>1.42%</b>	<b>274.62</b>	<b>0.96%</b>	<b>180.83</b>	<b>0.98%</b>	<b>127.48</b>	<b>0.92%</b>
<b>Profit after tax (H=F-G)</b>	<b>610.28</b>	<b>4.10%</b>	<b>791.63</b>	<b>2.77%</b>	<b>509.15</b>	<b>2.75%</b>	<b>361.55</b>	<b>2.61%</b>

## Overview of Revenue and expenditure

### Revenue and Expenditure

*Total Revenue:* Our total revenue comprises of revenue from operations and other income.

*Revenue from operations:* Our revenue from operations comprises of Sale of Services- Contract Charges Received.

*Other Income:* Our other income comprises of Interest Income, Capital Gain, Rental Income and Interest on Income Tax Refund.

*Expenses:* Our expenses comprise of Cost of Operation, Employee Benefit Expenses, Finance Cost, Depreciation and Amortisation Expenses and Other Expenses.

*Cost of Operation:* Our Cost of Operation comprises of purchases and direct expenses.

*Employee Benefit Expenses:* Our employee benefit expense consists of Salaries, Wages & Bonus, Director's Remuneration, Contribution to ESI, Contribution to EPF, Gratuity Expenses Current Year and Staff Welfare Expenses.

*Finance Cost:* Our finance costs comprise of Bank Charges, Interest on Term Loan and Loan Process Charges.

*Depreciation and amortisation expenses:* Tangible assets are depreciated over periods corresponding to their estimated useful lives. Depreciation includes depreciation charged on tangible assets.



*Other expenses:* Other expenses includes Audit Fees, Office Expenses, Electricity Charges, CSR activity, Event Expenses, Signage Board Expenses, Pooja Expenses, Interest on TDS, Courier Charges, Telephone Charges, Printing & Stationery, Consumables, Rent, Rates & Taxes, Insurance Expenses, EPF & ESI Damages Challan, Petrol Expenses, Repairs & Maintenance, Business Promotion Expenses, Travelling and Conveyance.

*Exceptional Items:* Our Exceptional Items comprises of CSR Expenses, Gratuity provision for earlier year and Depreciation for earlier years.

*Provision for Tax:* Income taxes are accounted for in accordance with Accounting Standard – 22 on “Accounting for Taxes on Income” (“AS-22”), prescribed under the Companies (Accounting Standards) Rules, 2006. Our Company provides for current tax, as well as deferred tax, as applicable.

Provision for current taxes is made at the current tax rates after taking into consideration the benefits available to our Company under the provisions of the I. T. Act.

Deferred tax arises from the timing differences between book profits and taxable profits that originate in one period and are capable of reversal in one or more subsequent periods and is measured using the tax rates and laws applicable as of the date of the financial statements. Our Company provides for deferred tax asset / liability on such timing differences subject to prudent considerations in respect of deferred tax assets.

## **COMPARISON OF FY 2021-22 WITH FY2020-21**

### ***Income***

*Total Revenue:* Our total revenue increased by ₹10,102.88 lakhs or 54.59% to ₹28,609.09 Lakh for the financial year 2021-22 from ₹18,506.21 Lakh for the financial year 2020-21 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹28,592.69 Lakhs for the financial year 2021-22 as compared to ₹18,495.01 Lakhs for the financial year 2020-21 representing an incline of 54.60% on account of incline in sales due to rapid recovery in business after the pandemic.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹27,492.92 Lakhs for the financial year 2021-22 as compared to ₹17,784.43 Lakhs for the financial year 2020-21 representing an increase of 54.59% due to the factors described below: -

### ***Cost of Operation***

Our *Cost of Operation* is ₹27,223.93 Lakhs for the financial year 2021-22 as compared to ₹17,556.92 Lakhs for the financial year 2020-21 representing an increase of 55.06% due to increase in our scale of operation.

### ***Employee benefits expenses***

Our employee benefit expenses is ₹138.53 Lakhs for the financial year 2021-22 as compared to ₹109.65 Lakhs for the financial year 2020-21 representing an increase of 26.34% due to increase in Salaries, Wages & Bonus, Directors Remuneration, Contribution to ESI Contribution to EPF, Gratuity Expenses, which partially set off with decrease in Staff Welfare Expenses.

### ***Finance costs***

Our finance cost is ₹16.17 Lakhs for the financial year 2021-22 as compared to ₹15.07 Lakhs for the financial year 2020-21 representing an increase of 7.30% on account of increase in Bank Charges, Interest Cost and Loan Processing charges.

### ***Depreciation and amortization expense***

Our depreciation increased by 158.79% to ₹18.40 Lakhs for the financial year 2021-22 from ₹7.11 Lakhs for the financial year 2020-21 due to wear and tear of assets.

### ***Other expenses***

Our other expenses increased by 10.69% to ₹130.46 Lakhs for the financial year 2021-22 from ₹117.86 Lakhs for the financial year 2020-21, which is 0.46% and 0.64% of the total revenue of respective years. The increase was mainly due to increase in Audit Fees, Electricity Expenses, CSR activity, Event expenses, Signage Board Expenses, Pooja expenses, Courier Charges, Telephone Charges, Printing & Stationery, Consumables, Insurance expenses, Repairs & Maintenance, Business promotion expenses which was partially set off with decrease in Office expenses, Rent Rates & taxes, Petrol Expenses, Office Event Expenses and Travelling and conveyance

### ***Exceptional Items***

As per The Companies Act, 2013 our company attracts the provision of CSR, and for that purpose we have created a CSR provision in our books, which is of ₹15.35 Lakhs for F.Y.21-22 & ₹9.62 Lakhs for F.Y.20-21.

### ***Profit before tax***

Our profit before tax increased by 54.53% to ₹1,066.25 Lakhs for the financial year 2021-22 from ₹689.98 Lakhs for the financial year 2020-21. The increase was mainly due to the factors described above.

### ***Tax expenses***

Our tax expenses for the financial year 2021-22 amounted to ₹274.62 Lakhs as against tax expenses of ₹180.83 Lakhs for the financial year 2020-21. The net increase of ₹93.79 is on account of increase in Current tax which partially set off with Deferred Tax Assets.

### ***Profit After Tax***

Our profit after tax increased by 55.48% to ₹791.63 Lakhs for the financial year 2021-22 from ₹509.15 Lakhs for the financial year 2020-21, reflecting a net increase of ₹282.48 Lakhs due to aforementioned reasons.

## **COMPARISON OF FY 2020-21 WITH FY 2019-20**

### ***Income***

**Total Revenue:** Our total revenue increased by ₹4633.77 lakhs or 33.40% to ₹18,506.21 Lakh for the financial year 2020-21 from ₹13,872.44 Lakh for the financial year 2019-20 due to the factors described below:

### ***Revenue from operations***

Our revenue from operations is ₹18,495.01 Lakhs for the financial year 2020-21 as compared to ₹13,869.74 Lakhs for the financial year 2019-20 representing a growth of 33.35% on account of increase and expansion of sale of Services.

### ***Expenses***

Our total expenses excluding finance cost, depreciation and tax expenses is ₹17,784.43 Lakhs for the financial year 2020-21 as compared to ₹13,368.40 Lakhs for the financial year 2019-20 representing an increase of 33.03% due to the factors described below: -

### ***Cost of Operation***

Our *Cost of Operation* is ₹17,556.92 Lakhs for the financial year 2020-21 as compared to ₹13,054.64 Lakhs for the financial year 2019-20 representing an increase of 34.49% due to increase in our scale of operation.

### ***Employee benefits expenses***

Our employee benefit expenses is ₹109.65 Lakhs for the financial year 2020-21 as compared to ₹77.79 Lakhs for the financial year 2019-20 representing an increase of 40.96% due to increase in Salaries, Wages & Bonus, Directors Remuneration, Contribution to ESI Contribution to EPF, Gratuity Expenses, which partially set off with decrease in Staff Welfare Expenses.

### **Finance costs**

Our finance cost is ₹15.07 Lakhs for the financial year 2020-21 as compared to ₹0.09 Lakhs for the financial year 2019-20 representing an increase of 16644.44% on account of increase in Bank Charges and Interest Cost.

### **Depreciation and amortization expense**

Our depreciation decreased by 6.08% to ₹7.11 Lakhs for the financial year 2020-21 from ₹7.57 Lakhs for the financial year 2019-20 due to wear and tear of assets.

### **Other expenses**

Our other expenses decreased by 50.05% to ₹117.86 Lakhs for the financial year 2020-21 from ₹235.97 Lakhs for the financial year 2019-20, which is 0.64% and 1.70% of the total revenue of respective years. The decrease was mainly due to decrease in Electricity Expenses, CSR activity, Signage Board Expenses, Pooja expenses, Printing & Stationery, Insurance expenses, Office Event Expenses, which was partially set off with decrease in Office expenses, Rent Rates & taxes, Petrol Expenses, Transportation, Courier Charges, Telephone Charges, Interest on TDS, EPF & ESI Damages Challan, Business promotion expenses, Consumables, Marketing and sales promotion, Repairs & Maintenance and Travelling and conveyance

### **Exceptional Items**

As per The Companies Act, 2013 our company attracts the provision of CSR, and for that purpose we have created a CSR provision in our books, which is of ₹9.62 Lakhs for F.Y.20-2021 & ₹3.04 Lakhs for F.Y.19-2020, there was also adjustment made of Gratuity Provision for earlier years and Depreciation for earlier years in F.Y.2019-20.

### **Profit before tax**

Our profit before tax increased by 41.09% to ₹689.98 Lakhs for the financial year 2020-21 from ₹489.03 Lakhs for the financial year 2019-20. The increase was mainly due to the factors described above.

### **Tax expenses**

Our tax expenses for the financial year 2020-21 amounted to ₹180.83 Lakhs as against tax expenses of ₹127.48 Lakhs for the financial year 2019-20. The net increase of ₹53.36 is on account of increase in Current tax which partially set off with Deferred Tax Assets.

### **Profit After Tax**

Our profit after tax increased by 40.82% to ₹509.15 Lakhs for the financial year 2020-21 from ₹361.55 Lakhs for the financial year 2019-20, reflecting a net increase of ₹147.59 Lakhs due to aforementioned reasons.

### **Changes in Cash Flows**

The table below summaries our cash flows from our Restated Financial Statements for the stub period ended on October 31, 2022 and the financial years ended on March 31, 2022, 2021 and 2020:

Particulars	For the stub period ended October 31, 2022	For the financial year ended March 31,		
		2022	2021	2020
Net cash (used in)/ generated from operating Activities	(493.48)	258.97	93.19	678.83
Net cash (used in)/ generated from investing Activities	(25.73)	(118.61)	(309.11)	(0.20)
Net cash (used in)/ generated from financing Activities	(45.76)	12.48	(22.15)	110.51
Net increase/ (decrease) in cash and cash Equivalents	(564.97)	152.85	(238.07)	789.14
Cash and Cash Equivalents at the beginning of the period	809.06	656.21	894.28	105.14
Cash and Cash Equivalents at the end of the Period	244.09	809.06	656.21	894.28

## Operating Activities

### Period ended on October 31, 2022

Our net cash used in operating activities was ₹493.48 Lakhs for the stub period ended October 30, 2022. Our operating profit before working capital changes was ₹851.49 Lakhs for the stub period ended October 30, 2022 which was primarily adjusted against decrease in trade receivables by ₹903.24 Lakhs, increase in Short Term Loans & Advances ₹1,292.61 Lakhs, decrease in Other Current Assets to ₹51.48 Lakhs, decrease in trade payables by ₹340.39 Lakhs, decrease in other current liabilities by ₹406.99 Lakhs, decrease in short term provision by ₹259.70 Lakhs.

### Financial year 2021-22

Our net cash used in operating activities was ₹258.97 Lakhs for the period ended March 31, 2022. Our operating profit before working capital changes was ₹1,105.60 Lakhs for the financial year 2021-22 which was primarily adjusted against increase in trade receivables by ₹381.29 Lakhs, increase in Short Term Loans & Advances ₹201.98 Lakhs, increase in Other Current Assets by ₹261.51 Lakhs increase in trade payables by ₹332.01 Lakhs, decrease in other current liabilities by ₹126.90 Lakhs, decrease in short term provision by ₹206.96 Lakhs.

### Financial year 2020-21

Our net cash used in operating activities was ₹93.19 Lakhs for the period ended March 31, 2021. Our operating profit before working capital changes was ₹714.27 Lakhs for the financial year 2020-21 which was primarily adjusted against increase in trade receivables by ₹1,096.26 Lakhs, decrease in Short Term Loans & Advances by ₹130.96 Lakhs, increase in Other Current Assets by ₹272.47 Lakhs, increase in trade payables by ₹663.21 Lakhs, increase in other current liabilities by ₹270.94 Lakhs, decrease in short term provision by ₹317.47 Lakhs.

### Financial year 2019-20

Our net cash used in operating activities was ₹678.83 Lakhs for the period ended March 31, 2020. Our operating profit before working capital changes was ₹501.40 Lakhs for the financial year 2019-20 which was primarily adjusted against decrease in trade receivables by ₹626.69 Lakhs, increase in Short Term Loans & Advances ₹270.58 Lakhs, increase in Other Current Assets by ₹384.66 Lakhs, increase in trade payables by ₹209.87 Lakhs, increase in other current liabilities by ₹478.61 Lakhs, decrease in short term provision by ₹482.51 Lakhs.

## Investing Activities

### Period ended on October 31, 2022

Our net cash used from investing activities was (₹25.73) Lakhs for the stub period ended October 31, 2022. These were on account of increase in Non-Current Investments of ₹25.73 Lakhs.

### Financial year 2021-22

Our net cash used from investing activities was (₹118.61) Lakhs for the financial year 2021-22. These were on account of Purchase of Property, Plant & Equipment of ₹29.86 Lakhs, increase in Non-Current Investments of ₹88.75 Lakhs.

### Financial year 2020-21

Our net cash used from investing activities was (₹309.11) Lakhs for the financial year 2020-21. These were on account of Purchase of Property, Plant & Equipment of ₹32.94 Lakhs, increase in Non-Current Investments of ₹276.17 Lakhs.

### Financial year 2019-20

Our net cash used from investing activities was (₹0.20) Lakhs for the financial year 2019-20. These were on account of Purchase of Property, Plant & Equipment of ₹0.20 Lakhs.

## Financing Activities

### Period ended on October 31, 2022

Net cash used in financing activities for the stub period ended October 31, 2022 was (₹45.76) Lakhs which was primarily on account of decrease in Short-Term Borrowings of ₹12.78 Lakhs, decrease in Long-Term Borrowings of ₹25.77 Lakhs & Finance Cost of ₹7.21 Lakhs.

### Financial year 2021-22

Net cash generated from financing activities for the financial year March 31, 2022 was ₹12.48 Lakhs which was primarily on account of increase in Short-Term Borrowings of ₹13.60 Lakhs, increase in Long-Term Borrowings of ₹15.05 Lakhs & Finance Cost of ₹16.17 Lakhs.

### Financial year 2020-21

Net cash generated from financing activities for the financial year March 31, 2021 was (₹22.15) Lakhs which was primarily on account of increase in Short-Term Borrowings of ₹9.79 Lakhs, decrease in Long-Term Borrowings by ₹16.87 Lakhs & Finance Cost of ₹15.07 Lakhs.

### Financial year 2019-20

Net cash used in financing activities for the financial year March 31, 2020 was ₹110.51 Lakhs which was primarily on account of increase in Short-Term Borrowings of ₹34.53 Lakhs, increase in Long-Term Borrowings by ₹76.07 Lakhs & Finance Cost of ₹0.09 Lakhs.

### Other Key Ratios

The table below summaries key ratios in our Restated Financial Statements for the stub period ended on October 31, 2022 and financial years ended March 31, 2022, 2021 and 2020:

Particulars	For the stub period ended on October 31, 2022	For the financial year ended March 31,		
		2022	2021	2020
Fixed Asset Turnover Ratio	345.17	526.19	431.09	812.68
Current Ratio	1.92	1.49	1.29	1.31
Debt Equity Ratio	0.04	0.07	0.10	0.20
Inventory Turnover Ratio	-	-	-	-

(₹ in Lakh)

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by total fixed assets based on Financial Statements as Restated.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Financial Statements as Restated.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long-term debt, based on Financial Statements as Restated.

**Inventory Turnover Ratio:** This is defined as average inventory divided by total turnover based on Financial Statements as restated.

### Financial Indebtedness

As on October 31, 2022, the total outstanding borrowings of our Company is ₹93.62 Lakhs. For further details, refer to the chapter titled “*Statement of Financial Indebtedness*” beginning on page 165 of this Red Herring Prospectus.

Particulars	As at October 31, 2022
Loans from Banks & Financial Institutions	93.62
Unsecured Loans from directors	-
<b>Total</b>	<b>93.62</b>

(₹ in Lakh)

### Related Party Transactions

Related party transactions with our promoter, directors and their entities and relatives primarily relate to purchase and sale of products and services. For further information, please refer to the chapter titled “*Financial Statements as Restated*” on page 152 of this Red Herring Prospectus.

### Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

## **Qualitative Disclosure about Market Risk**

### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we re work our margins so as to absorb the inflationary impact.

### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

Details of Default, if any, including therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution.

Except as disclosed in chapter titled “*Financial Statements as Restated*” beginning on page 152 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company.

## **FACTORS THAT MAY AFFECT THE RESULTS OF THE OPERATIONS**

### **Unusual or infrequent events or transactions**

There are no transactions or events, which in our best judgment, would be considered unusual or infrequent that have significantly affected operations of the Company.

### **Significant economic changes that materially affected or are likely to affect income from continuing operations**

There are no significant economic changes that materially affected Company’s operations or are likely to affect income from continuing operations. Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

### **Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Other than as disclosed in the chapter titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus to our knowledge, there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

### **Future changes in relationship between costs and revenues in case of events such as future increase in labour or material cost or prices that will cause material change**

According to our knowledge, there are no future relationship between cost and income that would be expected to have a material adverse impact on our operations and revenues. However, increase in the cost of the goods in which the Company

deals, will affect the profitability of the Company. Further, the Company may not be able to pass on the increase in prices of the services to the customers in full and this can be offset through cost reduction.

**The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices**

The increase in revenue is by and large linked to increase in volume of all the activities carried out by the Company.

**Total turnover of each major industry segment in which the Issuer Company operates**

Our Company is primarily engaged in corporate services and solutions provider. The Company emerged as are a one stop solution provider for various corporate needs. The Company offer a comprehensive range of services covering Advertising and Marketing Solutions including Digital Marketing, Corporate Travel Arrangements, Gifting Solutions, Event Management etc.

Relevant industry data, as available, has been included in the chapter titled “*Industry Overview*” beginning on page 89 of this Red Herring Prospectus.

**Competitive Conditions**

We have competition with Indian and international corporate services and solutions provider companies and our results of operations could be affected by competition in the corporate services and solutions provider in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established unorganized companies/ entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus.

**Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 28 of this Red Herring Prospectus.

**Status of any Publicly Announced New Business Segments**

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new business segments



### STATEMENT OF FINANCIAL INDEBTEDNESS

Brief details on the financial indebtedness of the “Innokaiz India Limited” as on October 31, 2022 is as under:

#### **SECURED LOAN FROM BANKS & FINANCIAL INSTITUTIONS:**

Name of Lender	Date of Sanction	Nature/ Purpose	Sanctioned Amount (₹ in lakhs)	Rate of interest	Repayment Period	Outstanding amount (₹ in lakhs)
BAJAJ FINSERV	June 21, 2021	Business Loan	60.00	9.50%	Repayable in 60 equated monthly installments of ₹ 1.28 Lakhs, starting from – August 02, 2021, Ending on – July 02, 2026.	48.40
<b>TOTAL</b>						<b>48.40</b>

#### **UNSECURED LOAN FROM BANK & FINANCIAL INSTITUTIONS:**

Name of Lender	Date of Sanction	Purpose	Amount Sanctioned	Rate Of Interest	Repayment Period	Outstanding Amount (‘in Lakh)
ICICI BANK	March 10, 2021	Car Loan	25.00	7.65%	Repayable in 36 equated monthly installments of ₹ 0.78 Lakhs, starting from – March 10, 2021, Ending on – February 10, 2024	11.81
ICICI BANK	December 10, 2021	Car Loan	20.00	7.26%	Repayable in 36 equated monthly installments of ₹ 0.62 Lakhs, starting from – January 05, 2022, Ending on – December 05, 2024	14.86
ICICI BANK	March 13, 2020	Personal Loan	30.00	15.35%	Repayable in 36 equated monthly installments of ₹ 1.04 Lakhs, starting from – April 10, 2020, ending on – March 10, 2023	5.02
IDFC BANK	Feb 28, 2020	Business Loan	30.60	14.99%	Repayable in 36 equated monthly installments of ₹ 1.06 Lakhs, starting from – April 02, 2020, Ending on – March 02, 2023	5.11
RBL BANK	Feb 29, 2020	Business Loan	50.00	15.50%	Repayable in 36 equated monthly installments of ₹ 1.75 Lakhs, starting from – April 05, 2020, Ending on – March 05, 2023	8.41
<b>TOTAL</b>						<b>45.21</b>

## **SECTION X: LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except as stated in this section, there are no outstanding

- a) criminal proceedings,
- b) actions taken by statutory or regulatory authorities,
- c) disciplinary action including penalty imposed by the SEBI or stock exchanges against our Promoter in the last five Fiscals, including outstanding action,
- d) claims related to direct and indirect taxes in a consolidated manner,
- e) details of any other pending material litigation which are determined to be material as per a policy adopted by our Board (“Materiality Policy”), in each case involving our Company, Promoter, Directors and Group Company, (the “Relevant Parties”).

For the purpose of (V) above, our Board in its meeting held on December 29, 2022, has considered and adopted a policy of materiality for identification of material litigation involving the Relevant Parties.

In terms of the Materiality Policy, all pending litigation involving the Relevant Parties, other than criminal proceedings, actions by regulatory authorities and statutory authorities, disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five Fiscals including outstanding action, and tax matters, would be considered ‘material’ if:

- a) the monetary amount of claim by or against the entity or person in any such pending matter exceed Rupees Ten lakhs.

And

- b) the Board or any of its committees shall have the power and authority to determine suitable materiality thresholds for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any or its committees.

Except as stated in this section, there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on December 29, 2022 determined that outstanding dues to creditors in excess of ₹ 10.00 Lakhs as per the restated financials for the stub period ended October 31, 2022 shall be considered as material dues (“Material Dues”).

Unless otherwise stated to the contrary, the information provided is as of the date of this Red Herring Prospectus.

### **CONTINGENT LIABILITIES OF OUR COMPANY**

As on April 20, 2023, our Company has the following Contingent Liabilities:

(₹ In Lakhs)

Sr. No.	Particulars	Amount
1.	Income Tax demands / Notices before CIT Appeals / TDS	6.90
2.	Bank Guarantees / Corporate Guarantees	NIL
<b>Total</b>		<b>6.90</b>

#### **A. LITIGATION INVOLVING OUR COMPANY**

##### **Litigation against Our Company**

- (i) All criminal proceedings:

NIL

- (ii) All actions by regulatory authorities and statutory authorities:

NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company in the last five financial years including outstanding action:

NIL

(iv) Wilful Defaulter:

Our Company does not appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

(v) Claims related to direct and indirect taxes:

Direct Tax:

i. Income Tax:

As per website of Income Tax Department for outstanding tax demand, following defaults in the payment of Income Tax by the Company are still outstanding:

Assessment Year	Section Code	Demand Reference Number	Date on which demand is raised	Outstanding Interest (₹ in Lakhs)
2019-2020	154	2020201937020236524C	November 07, 2020	1.64
<b>TOTAL</b>				<b>1.64</b>

Assessment Year	Section Code	Demand Reference Number	Date on which demand is raised	Outstanding Demand (₹ in Lakhs)
2020-2021	154	2022202037121466154C	October 12, 2022	0.62
<b>TOTAL</b>				<b>0.62</b>

- We have received an issue letter having document reference ID as ITBA/COM/F/17/2022-23/1051187270(1)
- We have received a notice under section 270 (A) having document reference ID as ITBA/PNL/F/270-A/2022-23/1048422104(1) regarding penalty proceeding for the assessment year 2021-22 which is still pending.
- We have received a notice under section 270 (A) having document reference ID as ITBA/PNL/S/270-A/2022-23/1048136305(1) regarding penalty proceeding for the assessment year 2021-22 which is still pending.

ii. Tax Deducted at Source (TDS)

Sr. No	Particulars (FY)	Total Default (₹ in Lakhs)
1	Prior Years	1.44
2	2019-20	0.14
3	2020-21	2.29
4	2021-22	0.69
5	2022-23	0.08
<b>Total</b>		<b>2.31</b>

Indirect Tax

NIL

iii. Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

Litigation by Our Company

(i) All criminal proceedings:

NIL

(ii) All actions by regulatory authorities and statutory authorities:

NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against our Company in the last five financial years including outstanding action:

NIL

(iv) Claims related to direct and indirect taxes:

NIL

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

## B. LITIGATION INVOLVING OUR DIRECTORS

### Litigation against Our Directors

(i) All criminal proceedings:

Sukumar Balakrishnan managing director of Innokaiz Vs. State (Govt Of Nct Of Delhi) & Anr. CRL.M.C. 3313/2022 and CRL.M.A. 13980/2022 pending in Delhi High Court.

We have filed the aforementioned Criminal Application and Petition before the Hon'ble Delhi 420/406 of the Indian Penal Code, 1860 by Mrs. Renuka Garg alleging involvement of Innokaiz India Private Limited in committing the said offences. It is alleged in the FIR that the Company along with a third party has cheated the Complainant and her Company M/s. Mixtrees Ventures of ₹ 1,96,80,000/-. The Criminal Petition is currently being heard by the Hon'ble Delhi High Court and vide an Order dated September 15, 2022, Exemption Application was allowed and exemption was granted to all just exceptions. Further, while hearing the quashing Petition the Court opined that as per the chargesheet and supplementary chargesheet there is no case made out against the Petitioner. Status Report is supposed to be filed by the Respondents before the next date of hearing and the case is further posted for hearing which was February 2023. Further in the said hearing, next date of hearing was given to the Company which is August 02, 2023.

Following are the details of the Case:

- In the case of Sukumar Balakrishnan managing director of Innokaiz India Private Limited Vs. State (Govt Of Nct Of Delhi) & Anr. CRL.M.C. 3313/2022, First Information Report (FIR) bearing no.33/2020 has been filed against Ujjwal Bajaj, his uncle Sanjay Bajaj and the company Innokaiz India Private Limited u/s 406,420 of IPC on 10-02-2020 in Jagatpuri Police station District Shahadra Delhi, by Renuka Garg who is the director of Mixtress Venture Private Limited.
- Ujjwal Bajaj Individually met with directors of Innokaiz India Private Limited and contracted for 5.150 Amazon E-Gift Vouchers on 25-09-2019 with 4% discount valued 1,96,80,000/-.
- The amount 1,96,80,000/- was transferred through R.T.G.S. on account No. 000905025175 (ICICI BANK) of Innokaiz India Private Limited.
- The directors of Innokaiz India Private Limited as per contract transferred 5.150 Amazon E-Gift Vouchers as per the direction of Ujjwal Bajaj to the E-mail: dreammart1000@gmail.com on 27-09-2019.
- As per the complainant (Renuka Garg) in the month of October 2019, Ujjwal Bajaj resigned as the director from the Mixtress Venture Private Limited and complainant was designated as a director of Mixtress Venture Private Limited.
- As per the FIR Ujjwal Bajaj has accepted that he received the abovementioned company voucher and he sold all the vouchers. Before selling and getting the vouchers on his own mail Id, Ujjwal Bajaj had not taken any permission from his company Mixtress Venture Private Limited and neither informed the other director of Mixtress Venture Private Limited in this regard. Therefore, it is alleged by Renuka Garg that he committed fraud with M/s Mixtress Venture Private Limited for getting illegal profits and he deceived his company. It is alleged in the FIR that these

vouchers include 1% profit of the company of Mixtress Venture Private Limited and hence the directors are also beneficiaries of the same in a 50-50% manner.

- After the resignation of Ujjwal Bajaj, Renuka Garg contacted the directors of Innokaiz India Private Limited as admitted by her in the FIR and she took all the information in respect of the contract with Ujjwal Bajaj. Post which she lodged an FIR on 10-02-2020 against the three aforementioned parties.
- Innokaiz India Private Limited got the notice through E-mail u/s 91 Cr.P.C. from the Jagatpuri Police station on 24-10-2020 for production of documents and details in respect of offence registered u/s 406,420 of IPC. Hence, the directors of Innokaiz India Private Limited provided all the information to the officer in charge through email.
- The Petitioner preferred the Anticipatory bail application Bearing No. 1285/2021 before the court of Ravindra Bedi Additional Session Court karkardooma and was granted the Anticipatory Bail on 26-06-2021. We have also perused the order of Anticipatory Bail dated 26-06-2021 passed by Additional Session Judge KKD. Court Delhi, and the following paragraphs shall be noted:

“12. Having considered above and on a conspectus of the foregoing, this Court is persuaded to incline the applicant to pre- arrest bail subject however, to certain conditions.

13. The pre-arrest bail stands allowed. It is directed that in the event of arrest applicant be released on his furnishing personal bond in the sum of Rs.50,000/- with one surety of like amount from a blood relative to the satisfaction of IQ / Arresting Officer with following conditions;

1. The applicant shall furnish an FDR of Rs. 1 Lakh within 2 days in the name of this Court, which shall be retained till further Orders;
2. The applicant shall surrender his Passport with the Investigating Officer till further directions;
3. The applicant shall make a video call every alternate day between 11.00 am and 11.30 am to the Investigating Officer, and in case the Investigating Officer is unavailable, then to the Office incharge Police Station concerned, Delhi and also drop a PIN on Google Map, so that the applicant's location and the presence can be verified by such Officer;
4. The applicant shall furnish to IO a cell phone number, on which applicant is contacted at any time and shall ensure that the said number is kept active all times and kept Switched On;
5. The applicant shall neither contact nor offer any inducement, threat or promise to complainant or any prosecution witnesses;
6. The applicant shall cooperate the Investigation preferably Online by sending the requisite documents, if any required by the investigating Agency unless IO desires his physical presence in Delhi for some reasons.”

- We also note the contents of the petition filed under section 482 Cr.P.C. for quashing of the FIR. No. 33 / 2020 u/s 406/420 IPC, p.s. Jagatpuri, Delhi and proceedings bearing Cr. No 4624/2020 pending before the court of mm-05 Bharat Aggrwal kkd. Courts Delhi.

“19. That, the petitioner co-operated honestly with investing officer and produced each document and information with regard the case. Now the investigation is completed noting found against the petitioner and the I.O. has filed the supplementary charge sheet on 06-05-2022 Before the court of MM-05 Bharat Aggrawal KKD. Courts Delhi. Therefore no case has made out against the petitioner. Further the I.O has informed that the, petitioner is not any party in the chargesheet therefore the copy of chargesheet could not be furnished the petitioner. Because not being accused in chargesheet, hence petitioner could not file the copy of the chargesheet along with petition.

21. That, the criminal proceedings bearing CR.No.4624/2020 arising out of the said F.I.R. pending in the court of Mrs. Bharat Aggrawal Lei. MM,KKD. Court, Delhi, against the InnoKaiz India Private Limited and its Directors, Members. Should also be quashed along with the FIR.No.33/2020 for sake of justice.”

However, in the light of the above paragraph we have not been able to peruse the charge sheet copy as mentioned that the same is not available.

- Hence, it is pertinent to note the arguments made in the case of Sukumar Balakrishnan, managing director of Innokaiz India Private Limited which is reproduced below:

“6. That the Ujjwal Bajaj has not introduced himself as a Director of M/S Mixtress Venture and M/S Mixtress Venture has not introduced any member with Innokaiz India Private Limited. The Ujjwal Bajaj Individually contacted and met with Innokaiz India Private Limited , and no other member of the Mixtress Venture Private Limited have been met and contacted, introduced to Innokaiz India Private Limited. Hence The Innokaiz India

Private Limited company has transferred all the Amazon E-gift vouchers to Ujjwal Bajaj As per the direction of Ujjwal Bajaj on the E-Mail [dreammart1000@gmail.com](mailto:dreammart1000@gmail.com).

11. That ,The Petitioner submits That it is internal dispute of the Directors , partners of Mixtress Venture Private Limited, Therefore the InnoKaiz India Private Limited and its directors have no nexus with the crime No.33/2020. The petitioner company name has falsely and unnecessary with malicious intention dragged in this crime. Hence the Crime No.33/2020 Should be quashed the name of directors of InnoKaiz India Private Limited for sake of justice.”

- As per order dated 15.09.22, status report in response is to be submitted by the State before the next date of hearing. The case has been re-notified for hearing subsequently and will now be heard on August 02, 2023.

(ii) All actions by regulatory authorities and statutory authorities:

NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against our directors in the last five financial years including outstanding action:

NIL

(iv) Wilful Defaulters:

None of our Promoters’ appear on the Wilful Defaulters’ list as per the Reserve Bank of India Circular on Wilful Defaulters’.

(v) Claims related to direct and indirect taxes:

Direct Tax:

i. Income Tax:

As per website of Income Tax Department for outstanding tax demand, following is the status of Income Tax demands payable by the Directors:

Assessment Year	Section Code	Demand Reference Number	Date on which demand is raised	Outstanding Demand (₹ in Lakhs)
BALAKRISHNAN SUKUMARBALAKRISHNAN				
2018-19	154	2020201837024637955T	January 20, 2021	0.30
<b>Total</b>				<b>0.30</b>

Assessment Year	Section Code	Document Identification Number	Date on which notice is issued
2016-17	Defective Notice u/s 139(9)	CPC/1617/G5/1762413087	March 23, 2018
2018-19	Adjustment u/s 143(1)(a)	NA	September 27, 2019
2018-19	Defective Notice u/s 139(9)	CPC/1819/G5/1943093958	November 13, 2019
2018-19	Adjustment u/s 143(1)(a)	CPC/1819/G22/1971410927	January 03, 2020
2018-19	Defective Notice u/s 139(9)	CPC/1819/G5/1885116087	April 10, 2019
2022-23	Issue Letter	ITBA/COM/F/17/2022-23/1051248703(1)	March 24, 2023

ii. Tax Deducted at Source (TDS)

Sr. No	Particulars (FY)	Total Default (₹ in Lakhs)
1	Prior Years	0.29
2	2019-20	0.07
3	2021-22	0.04
<b>Total</b>		<b>0.40</b>

Indirect Tax: NIL

(vi) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

#### Litigation by Our Directors

- (i) All criminal proceedings:

NIL

- (ii) All actions by regulatory authorities and statutory authorities:

NIL

- (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the directors in the last five financial years including outstanding action:

NIL

- (iv) Claims related to direct and indirect taxes:

NIL

- (v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

#### C. LITIGATION INVOLVING OUR PROMOTER

##### Litigation against Our Promoter

- (i) All criminal proceedings:

Please refer to Litigation against our directors above under Point B Litigation involving our directors.

- (ii) All actions by regulatory authorities and statutory authorities:

NIL

- (iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years including outstanding action:

NIL

- (iv) Wilful Defaulters:

None of our Promoters' appear on the Wilful Defaulters' list as per the Reserve Bank of India Circular on Wilful Defaulters'.

- (v) Claims related to direct and indirect taxes:

Please refer to claims related to direct and indirect taxes against our directors above, under Point B Litigation involving our directors.

- (vi) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

##### Litigation by Our Promoter

- (i) All criminal proceedings:

NIL

- (ii) All actions by regulatory authorities and statutory authorities:

NIL



(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the promoter in the last five financial years including outstanding action:

NIL

(iv) Claims related to direct and indirect taxes:

NIL

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

#### D. LITIGATION INVOLVING OUR GROUP COMPANY

#### TAIYANGXI PROPERTIES & INFRASTRUCTURE PRIVATE LIMITED

##### Litigation against Our Group Company

(i) All criminal proceedings:

NIL

(ii) All actions by regulatory authorities and statutory authorities:

NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the group company in the last five financial years including outstanding action:

NIL

(iv) Claims related to direct and indirect taxes:

##### Direct Tax:

i. Income Tax:

We have received a defective notice under section 139 (9) having document reference ID as EFL/2223/G5a/ITR000443371047 for the assessment year 2022-23 which is still pending.

ii. Tax Deducted at Source (TDS)

Sr. No	Particulars (FY)	Total Default (₹ in Lakhs)
1	Prior Years	0.07
2	2019-20	0.05
3	2021-22	0.63
<b>Total</b>		<b>0.75</b>

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

##### Litigation by Our Group Company

(i) All criminal proceedings;

NIL

(ii) All actions by regulatory authorities and statutory authorities;

NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Group Company in the last five financial years including outstanding action;

NIL

(iv) Claims related to direct and indirect taxes:

NIL

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

NIL

#### **E. LITIGATION INVOLVING OUR SUBSIDIARY**

##### Litigation against Our Subsidiary

(i) All criminal proceedings;

-NIL

(ii) All actions by regulatory authorities and statutory authorities;

-NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Subsidiaries in the last five financial years including outstanding action;

-NIL

(iv) Claims related to direct and indirect taxes:

-NIL

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

- NIL

##### Litigation by Our Subsidiary

(i) All criminal proceedings:

- NIL

(ii) All actions by regulatory authorities and statutory authorities:

-NIL

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges against the Subsidiaries in the last five financial years including outstanding action:

- NIL

(iv) Claims related to direct and indirect taxes:

- NIL

(v) Other pending litigations - As per the policy of materiality defined by the board of directors of our Company:

-NIL

## **MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 153 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

## **OUTSTANDING DUES TO CREDITORS**

In accordance with our Company’s materiality policy dated December 29, 2022 below are the details of the Creditors where there are outstanding amounts as on October 31, 2022 :

<b>Creditors</b>	<b>Amount due (₹ in Lakhs)</b>
<b>MSMEs</b>	Nil
<b>Other Creditors</b>	Nil

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company’s website, <https://innokaiz.com/> would be doing so at their own risk.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government / RBI, various Government agencies and other statutory and / or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business Media and Entertainment – Branding, Marketing, Events, MICE, R&R and E Commerce, we require various approvals and / or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “*Key Industry Regulations and Policies*” on page 115 of this Red Herring Prospectus.

The Company has its business located at:

**Registered Office:** Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4<sup>th</sup> Floor, Josier Street, Nungambakkam, Chennai, Tamil Nadu – 600 034, India

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### **APPROVALS FOR THE ISSUE**

#### **Corporate Approvals:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on Monday, January 02, 2023, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting held on Wednesday, January 04, 2023 authorized the Issue.

#### **In- principle approval from the Stock Exchange**

We have received in-principle approvals from the stock exchange i.e. BSE Limited for the listing of our Equity Shares pursuant to letter dated April 12, 2023 bearing reference no. LO\SME-IPO\MJ\IP\15\2023-24.

#### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated April 07, 2022 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Bigshare Services Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 13, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE0LDI01022.

### **INCORPORATION AND OTHER DETAILS**

1. The Certificate of Incorporation dated January 11, 2013, issued by the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands, in the name of “Innokaiz India Private Limited” previously having CIN No. U74900TN2013PTC089349.
2. Fresh Certificate of Incorporation Consequent upon Conversion from Private Company to Public Company issued on September 27, 2022, by the Registrar of Companies, Chennai in the name of “Innokaiz India Limited”.
3. The Corporate Identification Number (CIN) of the Company is U74900TN2013PLC089349.

### **APPROVALS / LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

We require various approvals and / or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

Sr. No.	Description	Authority	Registration No. / Reference No. / License No.	Date of Issue	Date of Expiry
1.	Udyog Aadhar Memorandum / Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	TN02D0083407	NA	NA
2.	Udyam Registration under Micro, Small and Medium Enterprises Development Act, 2006	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-TN-02-0069960	July 19, 2021	NA
3.	Importer – Exporter Code (IEC)	Office of Joint Director General of Foreign Trade	AADCI1465K	December 13, 2021	NA

### **TAX RELATED APPROVALS / LICENSES / REGISTRATIONS**

Sr. No.	Authorisation granted	Issuing Authority	Registration No. / Reference No. / License No.	Date of Issue	Validity
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AADCI1465K	January 11, 2013	Perpetual
2.	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	CHEI09325B	May 25, 2018	Perpetual
3.	Goods and Service Tax Identification Number – Tamil Nadu	Tamil Nadu Goods and Services Tax Act, 2017	33AADCI1465K2ZL	January 20, 2018	NA
4.	Professional Tax Enrolment Certificate (PTEC) (under section 138-A of Chennai City Municipal Corporation Act, 1919)	Commissioner, Revenue Department Greater Chennai Corporation	09-113-PE-13152	II/12-13	NA

### **LABOUR RELATED APPROVALS / REGISTRATIONS**

Sr. No.	Description	Authority	Registration No. / Reference No. / License No.	Date of Issue
1.	Employees Provident Fund Registration	Employees Provident Fund Organisation,	TNMAS0085874000	September 11, 2020

	(under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Ministry of Labour, Government of India		
2.	Registration for Employees State Insurance (under Employees State Insurance Act, 1948)	Employees State Insurance Corporation	5100105496000999	March 01, 2013


#### **OTHER BUSINESS-RELATED APPROVALS**

Sr No.	Description	Authority	Registration Number	Date of Certificate	Date of Expiry
1.	ISO 9001: 2015	Breakthrough Management Quality Registrar (BMQR)	AB09IS131395	February 07, 2013	July 15, 2025

#### **INTELLECTUAL PROPERTY RIGHTS**

##### **TRADEMARK**

We have the registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application Number	Date of Application	Validity / Renewal	Registration Status
1		Device	35	Innokaiz India Private Limited	2515452	April 17, 2013	April 16, 2023	Registered

Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks / copyrights / patents etc.

##### **Domain Name**

Sr. No.	Domain Name and ID	Sponsoring Registrar and ID	Registrant Name, ID and Address	Creation Date	Registry Expiry Date
1.	INNOKAIZ.COM	1588355620_DOMAIN_COM VRSN	whois.wildwestdomains.com	March 11, 2010	March 10, 2024

#### **PENDING APPROVALS:**

Company is in process for name change in the above licenses and approvals.

#### **MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY:**

1. Registration certificate under the Tamil Nadu Shops and Establishment Act, 1947.
2. Professional Tax Registration Certificate (PTRC).

## OUR GROUP COMPANIES

In terms of the SEBI (ICDR) Regulations, the term “group companies”, includes

- i. such companies (other than promoter(s) and subsidiary(ies)) with which the relevant issuer company had related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and
- ii. any other companies considered material by the Board of Directors of the relevant issuer company.

Accordingly, for (i) above, all such companies (other than our Subsidiary) with which there were related party transactions during the periods covered in the Restated Financial Statement, as covered under the applicable accounting standards, shall be considered as Group Companies in terms of the SEBI (ICDR) Regulations. For the purpose of avoidance of doubt and pursuant to regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018 it is clarified that our promoter and Subsidiary will not be considered as Group Companies.

In terms of the SEBI (ICDR) Regulations and in terms of the policy of materiality defined by the Board of Directors pursuant to its resolution dated December 29, 2022 our Group Companies includes:

Those companies disclosed as having related party transactions in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, in the Restated Financial Statements of the Company for the last three financial years.

Provided, companies which have been disclosed as related parties in the Restated Financial Statements of our Company for the last three financial years, and which are no longer associated with our Company have not been disclosed as Group Companies.

All such companies which the Board has deemed to be material to be considered as Group Companies / Associates Companies.

Based on the above, **Taiyangxi Properties & Infrastructure Private Limited** is our Group Company: -

### Corporate Information–

<b>Date of Incorporation</b>	April 23, 2018	
<b>CIN</b>	U45309TN2018PTC122298	
<b>PAN</b>	AAGCT7379C	
<b>Registered Office</b>	New No. 43, Old No. 22, B1, Real Enclave, Josier Street, Nungambakkam Chennai-600034, Tamil Nadu, India.	
<b>Board of Directors*</b>	<b>Name of Directors</b>	<b>DIN</b>
	Mr. Balakrishnan Sukumarbalakrishnan	06464374
	Mr. Selvaraj Durairaj	08181614

*\*As on date of this Red Herring Prospectus*

### FINANCIAL INFORMATION

In accordance with the SEBI (ICDR) Regulations, Details of Reserves (excluding Revaluation Reserves), Sales, Profit after Tax, Earnings per Share, Basis / Diluted Earnings Per Share and Net Asset Value, derived from the latest Audited Financial Statements available on a standalone basis of our Group Companies are available on the website of our company at [www.innokaizindia.com](http://www.innokaizindia.com).

### OTHER CONFIRMATIONS

- a) None of our Group Companies Securities are listed on any stock exchange nor any of the Group Companies has made any public and / or rights issue of securities in the preceding three years.
- b) None of the above-mentioned Group Companies is in defaults in meeting any Statutory / bank / institutional dues and no proceedings have been initiated for economic offences against any of the Group Companies.
- c) None of the above-mentioned Group Companies is a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 or is under winding up / insolvency proceedings.



- d) Our Group Companies has not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.

## LITIGATIONS

Except as mentioned in the Chapter “*Outstanding Litigation and Material Developments*” beginning on page 166 of this Red Herring Prospectus, there are no outstanding litigation involving our Group Companies which may have a material impact on our Company.

## INTEREST OF OUR GROUP COMPANY

### Interest in the promotion of our Company

Except as disclosed in this Red Herring Prospectus, our Group Companies has no interest in the promotion of our Company.

### Interest in the properties acquired or proposed to be acquired by our Company in the past three years or proposed to be acquired

Except as mentioned in the chapter titled “*Our Business*” under the heading “*Our Properties*” beginning on page 104 of this Red Herring Prospectus, Our Group Companies don’t have any interest in the properties acquired or proposed to be acquired by our Company in the three years preceding the filing of Red Herring Prospectus.

### Interest in the transactions for acquisition of land, construction of building and supply of machinery

Our Group Companies are not interested in any transaction for acquisition of land or supply of machinery to our Company.

## RELATED PARTY TRANSACTIONS BETWEEN OUR COMPANY & GROUP COMPANIES AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Except as disclosed under the Note “*Related Party Transactions*” on page 152 of this Red Herring Prospectus, there are no related business transactions of our Company with its Group Companies and significance of the same on the financial performance of our Company.

## BUSINESS INTERESTS OF GROUP COMPANY IN OUR COMPANY

Other than as disclosed under the Note “*Related Party Transactions*” on page 152 of this Red Herring Prospectus, the group companies don’t have any interest in the business of our Company or interest of any other nature as on the date of this Red Herring Prospectus.

## PAYMENT OR BENEFIT TO OUR GROUP COMPANIES

Except as stated under the Note “*Related Party Transactions*” beginning on page 152 of this Red Herring Prospectus, there has been no payment of benefits to our group companies during the stub period October 31, 2022 and Financial Year ended on March 31, 2022; 2021 and 2020.

## COMMON PURSUITS

Except as disclosed in “*Our Business*” and “*Related Party Transactions*” on pages 104 and 152, respectively, none of our Group Companies are in the same line of business as our Company and there are no common pursuits between our Group Companies and our Company.

## UNDERTAKING / CONFIRMATIONS BY OUR GROUP COMPANIES

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

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

Neither our Promoter, person in control of our Company or have ever been a Promoter, Director or person in control of any other Company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

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

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **AUTHORITY FOR THE ISSUE**

The Board of Directors, pursuant to a resolution passed at their meeting held on January 02, 2023 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extraordinary General Meeting held on January 04, 2023 authorized the Issue.

### **In-principal Approval:**

Our Company has obtained In-Principle approval from the BSE SME for using its name in the Offer Documents pursuant to an approval letter dated April 12, 2023. BSE is the Designated Stock Exchange.

### **PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, Promoter, Promoter Group and Directors have not been declared as wilful defaulter(s) or fraudulent borrowers by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or Director.
- Neither our Promoter, nor Promoter Group, nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, nor Promoter Group nor our Directors, are Wilful Defaulters or fraudulent borrowers.

### **PROHIBITION BY RBI**

Neither our Company, nor Promoter, nor Promoter Group, nor any of our Directors or the person(s) in control of our Company have been identified as a wilful defaulter or fraudulent borrowers. by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigations and Material Developments*” beginning on page 166 of this Red Herring Prospectus.

Neither our Company, our Promoter, our Directors, Group companies, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as wilful defaulters or a fraudulent borrower as defined by the SEBI ICDR Regulations, 2018.

### **COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018**

Our Company, the Promoter and the members of the Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Red Herring Prospectus.

### **DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET**

None of our Directors are associated with the Securities Market in any manner and no action has been initiated against these entities by SEBI at any time except as stated under the chapters titled “*Outstanding Litigations and Material Developments*” beginning on page 166 of this Red Herring Prospectus.

## ELIGIBILITY FOR THE ISSUE

Our Company is an “unlisted issuer” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “**Initial Public Offer**” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company is eligible in terms of Regulation 228, 229(2) and 230 of SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue paid up capital shall not be more than ₹ 25.00 Crores and we may hence, Issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE Limited”).

### We confirm that:

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Book Running Lead Manager to the Issue shall underwrite minimum 15% of the total issue size. For further details pertaining to said underwriting please refer to chapter titled “**General Information-Underwriting**” beginning on page 51 of this Red Herring Prospectus.

In accordance with Regulation 261(1) of the SEBI (ICDR) Regulations, 2018, we hereby confirm that we will entered into an agreement with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this Issue on the SME Platform of BSE Limited. For further details of the arrangement of market making please refer to chapter titled “**General Information**” beginning on page 51 and details of the Market Making Arrangements for this please refer to chapter titled “**The Issue**” beginning on page 46 of this Red Herring Prospectus.

In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, 2018, we shall ensure that the total number of proposed allottees in the Issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight working days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight working days, be liable to repay such application money, with an interest at the rate as prescribed under SEBI (ICDR) Regulations 2018, the Companies Act, 2013 and applicable laws. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and / or imprisonment in such a case.

As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and / or other eligibility conditions of SME Platform of BSE Limited in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:

1. Our Company was incorporated on January 11, 2013 with the Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands under the Companies Act, 1956 in India.
2. Our Company is engaged in the business of Marketing, R&R, MICE, E-Commerce.
3. The Paid-up Capital of the Company is ₹751.00 Lakh comprising 75,10,000 equity shares.
4. The Post Issue Paid up Capital (Face Value) of the company will be ₹ 1,022.36 Lakh comprising 1,02,23,600 Equity Shares. So, the company has fulfilled the criteria of Post Issue Paid up Capital shall be more than Ten Crore Rupees and upto Twenty-Five Crore Rupees.
5. The Net worth, Cash Accruals and Net Tangible Assets of the Company as per the Restated Financial Statements of our Company for the stub period ended on October 31, 2022 and Financial Year ended on March 31, 2022; 2021 and 2020 are as set forth below:

Particulars	(₹ in Lakhs)			
	For the stub period ended on October 31	For the financial year ended on March 31		
	2022	2022	2022	2022
<b>Networth</b> <sup>(1)</sup>	2,453.00	1,842.72	1,051.09	541.93
<b>Cash Accruals</b> <sup>(2)</sup>	850.23	1,100.00	706.71	503.94
<b>Net Tangible Assets</b> <sup>(3)</sup>	2,453.00	1,842.72	1,051.09	541.93

<sup>(1)</sup> Net Worth has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.

<sup>(2)</sup> Cash accruals has been defined as the Earnings before depreciation and tax from operations.

<sup>(3)</sup> *Net Tangible Assets are defined as the sum of total fixed assets plus current assets minus current liabilities minus intangible assets*

6. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated April 07, 2022 and National Securities Depository Limited (NSDL) dated April 13, 2022 for dematerialization of its Equity Shares already issued and proposed to be issued.
7. The Company has not been referred to Board for Industrial and Financial Reconstruction.
8. Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
9. None of the Directors of our Company have been categorized as a Wilful Defaulter or fraudulent borrowers.
10. There is no winding up petition against the Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
11. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
12. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME Platform of BSE Limited.
13. The Company has a website [www.innokaizindia.com](http://www.innokaizindia.com)

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS, 2018**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations, 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations, 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOKING RUNNING LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS 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 THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MERCHANT BANKER, GRETEX CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 22, 2023.**

**THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.**

**Note:**

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under sections 34, 35 and 36(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in this Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Chennai in terms of Section 26 and 32 of the Companies Act, 2013.

**DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the BRLM accept no responsibility for statements made otherwise than those contained in this Red Herring Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk. The BRLM accept no responsibility, save to the limited extent as provided in the agreement entered between the BRLM (Gretex Corporate Services Limited) and our Company on January 11, 2023 and the Underwriting Agreement dated January 11, 2023 entered into between the Underwriters and our Company and the Market Making Agreement dated January 11, 2023 entered into among the Market Maker and our Company. All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, and our affiliates or associates, for which they have received and may in future receive compensation.

**Note:** Investors who apply in the 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 of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not Offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by M/s. Gretex Corporate Services Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer Annexure A to this Red Herring Prospectus and the website of the Book Running Lead Manager at [www.gretexcorporate.com](http://www.gretexcorporate.com).



## DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹ 2,500.00 Lakhs and pension funds with a minimum corpus of ₹ 2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in Chennai Tamil Nadu, only.

No action has been, or will be, taken to permit a public Issuing in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed at SME Platform of BSE Limited for its observations and BSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

## DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

BSE Limited (“BSE”) has vide its letter dated April 12, 2023 given permission to **“Innokaiz India Limited”** to use its name in the Offer Document as the Stock Exchange on whose Small and Medium Enterprises Platform (“SME Platform”) the Company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. BSE does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoter, its management or any scheme or project of this Company.
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the Equity Shares are offered by the Company and investors are informed to take the decision to invest in the Equity Shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the Equity Shares are offered by the Company is determined by the Company in consultation with the Merchant Banker to the Issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by



such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the SME Platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE / other regulatory authority. Any use of the SME Platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

#### **FILING**

The Red Herring Prospectus is being filed with BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001, Maharashtra, India. The Red Herring Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246(2) of SEBI (ICDR) Regulations, 2018.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018 and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus/ Prospectus, along with the material contracts and documents referred elsewhere in the Prospectus, will be delivered for filing to the Registrar of Companies, Block No. 6, B Wing, 2<sup>nd</sup> Floor, Shastri Bhawan 26, Haddows Road, Chennai - 600034, Tamil Nadu, India.

#### **LISTING**

Application have been made to SME Platform of BSE Limited for obtaining permission for listing of the Equity Shares being offered and sold in the issue on its SME Platform of BSE Limited after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform of BSE Limited is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. The allotment letters shall be issued or application money shall be refunded / unblocked within such time prescribed by SEBI or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Companies Act, 2013, the SEBI (ICDR) Regulations and other applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE Limited mentioned above are taken within 6 Working Days of the Issue Closing Date.

The Company has obtained approval from BSE vide letter dated April 12, 2023 to use the name of BSE in this issue document for listing of equity shares on SME Platform of BSE Limited.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Promoter, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; Book Running Lead Manager, Underwriters, Market Maker, Syndicate Member, Registrar to the Issue, Banker(s) to the Issue and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, M/s. Gupta Agarwal and Associates, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Special Tax Benefits*” relating to the possible tax benefits and restated financial statements as included in this Red Herring Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of this Red Herring Prospectus.

## EXPERT TO THE ISSUE

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

- Report of the Statement of Possible of Tax Benefits.
- Report of the Auditor on the Restated Financial Statements of our Company for the stub period ended on October 31, 2022 and the financial years ended on March 31, 2022, March 31, 2021 and March 31, 2020 of our Company dated April 18, 2023.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 78 of this Red Herring Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Book Running Lead Manager

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated January 11, 2023 a copy of which is available for inspection at our Registered Office. The Registrar to the

Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst the Company and Underwriters. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

### **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation and are an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018.

Our Company had previously filed the Draft Prospectus with BSE Limited under Fixed Price Issue for 26,88,000 Equity Shares on December 31, 2022, However the Issue was not opened. As the Company planned to file the Draft Red Herring Prospectus under Book Built Issue with BSE Limited and the same was filed on March 02, 2023.

### **CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES**

None of our Group Company / Associates that are listed on any Stock Exchange has made any Capital Issue in the last three (3) years. We do not have any subsidiary as on date of this Red Herring Prospectus.

### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 61 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the Initial Public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370(1B) OF THE COMPANIES ACT, 1956 / SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

None of the equity shares of Companies under same management are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018. Therefore, data regarding promise versus performance is not applicable to us.

### **LISTED SUBSIDIARY / PROMOTER**

We do not have any listed Subsidiary or Promoter Company as on date of this Red Herring Prospectus.

## OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has appointed Bigshare Services Private Limited as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of the Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. The Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. The Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on December 29, 2022. For further details, please refer to the chapter titled “*Our Management*” beginning on page 125 of this Red Herring Prospectus.

Our Company has appointed **Ms. Mamta Saini** as Company Secretary and Compliance Officer and he may be contacted at the following address:

### **Ms. Mamta Saini**

Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India.

**Tel:** 044-28250545

**Email:** cs@innokaiz.com

**Website:** www.innokaizindia.com

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any Pre-Issue or Post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Red Herring Prospectus.

### **Disposal of Investor Grievances by Listed Companies under the same Management**

None of our Group Companies / Associates / Subsidiary are listed on any Stock Exchange as on the date of filing this Red Herring Prospectus.

### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 61 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

### **TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “*Statement of Special Tax Benefits*” beginning on page 86 of this Red Herring Prospectus.

### **PURCHASE OF PROPERTY**

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoter and / or Directors have any direct or indirect interest in any payment made there under.

### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “*Our Management*” and “*Related Party Transactions*” beginning on pages 125 and 152 respectively of this Red Herring Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

### **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 XI: ISSUE RELATED INFORMATION**

### **TERMS OF THE ISSUE**

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government Of India, the Stock Exchange, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the Government Of India, the Stock Exchange, the RoC and/ or any other authorities while granting its approval for the Issue.*

*Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, 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, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants 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”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“UPI Phase III”), as may be prescribed by SEBI.*

*Further vide the said circular Registrar to the Issue and Depository Participants have been also authorized to collect the Application forms. Investor may visit the official website of the concerned for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

### **AUTHORITY FOR THE PRESENT ISSUE**

This Issue has been authorized by a resolution of our Board of Directors passed at their meeting held on January 02, 2023, subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the General Meeting.

The shareholders have authorized the Issue by a Special Resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the Extra Ordinary General Meeting of our Company held on January 04, 2023.

### **RANKING OF EQUITY SHARES**

The Equity Shares being issued shall be subject to the provisions of the Companies Act, and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividends and other corporate benefits, if any, declared by us after the date of Allotment. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled, ‘**Main Provisions of Article of Association**’, beginning on page 235 of this Red Herring Prospectus.

### **MODE OF PAYMENT OF DIVIDEND**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013, Article of Association, the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 any other rules, regulations

or guidelines as may be issued by Government of India in connection there to and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, in cash as per the provisions of the Companies Act and our Articles of Association. For further details in relation to dividends, please refer to sections titled, '*Dividend Policy*' and '*Main Provisions of Article of Association*', beginning on page 151 and 235 respectively, of this Red Herring Prospectus.

## **FACE VALUE AND ISSUE PRICE**

The face value of each Equity Share is ₹ 10.00 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share ("Floor Price") and at the higher end of the Price Band is ₹ [●] per Equity Share ("Cap Price"). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least two Working Days prior to the Bid/ Issue Opening Date, in all editions of Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Chennai edition of Madrasmani, a regional newspaper each with wide circulation and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

The Issue Price is determined by our Company in consultation with the Book Running Lead Manager and is justified under the Section titled, '*Basis for Issue Price*', beginning on page 83 of this Red Herring Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

## **COMPLIANCE WITH ICDR REGULATIONS**

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

## **COMPLIANCE WITH DISCLOSURE AND ACCOUNTING NORMS**

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

## **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and the AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.



For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and / or consolidation / splitting, etc., please refer to Section titled, '*Main Provisions of the Articles of Association*', beginning on page 235 of this Red Herring Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated April 13, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated April 07, 2022 between CDSL, our Company and Registrar to the Issue.

The ISIN no of the company is INE0LDI01022

#### **MARKET LOT AND TRADING LOT**

Trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1,600 Equity Share subject to a minimum allotment of 1,600 Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakhs per application.

#### **MINIMUM NUMBER OF ALLOTTEES**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of Allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective Allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 Working Days of closure of Issue.

#### **JOINT HOLDERS**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

#### **NOMINATION FACILITY TO INVESTOR**

In accordance with Section 72 of the Companies Act, 2013, the First / Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company, in consultation with BRLM, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## ISSUE PROGRAM

<b>Bid/Issue Opens on</b>	Friday, April 28, 2023
<b>Bid/Issue Closes on</b>	Wednesday, May 03, 2023
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or Before Monday, May 08, 2023
<b>Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account*</b>	On or Before Tuesday, May 09, 2023
<b>Credit of Equity Shares to Demat accounts of Allottees</b>	On or Before Wednesday, May 10, 2023
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or Before Thursday, May 11, 2023

*Note <sup>1</sup>Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations*

*<sup>2</sup>Our Company in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

\*In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation / withdrawal / deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted / partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue BRLM shall be liable for compensating the Applicant at a uniform rate of ₹ 100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as

amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid / Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid / Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until:

- (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to the limitation of time available for uploading the Bid-Cum-Application Forms on the Bid/Issue Closing Date, Applicants are advised to submit their applications 1(one) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Bid/Issue Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Applicants are cautioned that, in the event a large number of Bid-Cum-Application Forms are received on the Issue Closing Date, as is typically experienced in public issue, some Bid-Cum-Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Bid-Cum-Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bid-Cum-Application Forms due to faults in any software / hardware system or otherwise.

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

#### **MINIMUM SUBSCRIPTION**

In accordance with Regulation 260 (1) of ICDR Regulations, this Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level .

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on Application is not received within a period of 30 days from the date of Red Herring Prospectus, the Application Amount has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Offer document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Red Herring Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1.00 Lakhs (Rupees One Lakhs) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **ARRANGEMENTS FOR DISPOSAL OF ODD LOTS**

The trading of the Equity Shares will happen in the minimum contract size of 1,600 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE Limited.

#### **APPLICATION BY ELIGIBLE NRIS, FPIS / FIIS REGISTERED WITH SEBI, VCFS REGISTERED WITH SEBI AND ELIGIBLE QFIS**

It is to be understood that there is no reservation for Eligible NRIs or FPIs / FIIs registered with SEBI or VCFs or Eligible QFIs. Such Eligible NRIs, Eligible QFIs, FIIs registered with SEBI will be treated on the same basis with other categories for the purpose of allocation.

NRIs, FPIs / FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“FDI”) Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI / RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and / or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBs CANNOT PARTICIPATE IN THIS ISSUE.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 03, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for Equity Share allocation.

#### **RESTRICTIONS ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING**

Except for lock-in of the pre-issue Equity Shares and Promoters minimum contribution in the Issue as detailed in the Section titled, '*Capital Structure*', beginning on page 61 of this Red Herring Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation / splitting of Equity Shares. For further details, please refer to the Section titled, '*Main Provisions of the Articles of Association*', beginning on page 235 of this Red Herring Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the Applicants of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

#### **NEW FINANCIAL INSTRUMENTS**

As on the date of this Red Herring Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoter, to acquire or receive any Equity Shares after the Issue.

#### **ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM**

In accordance with the ICDR Regulations, Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

#### **MIGRATION TO MAIN BOARD**

BSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of BSE Limited for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Platform of BSE Limited on a later date subject to the following:

- If the Paid-up Capital of the Company is likely to increase above ₹ 25.00 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.



- If the Paid-up Capital of the Company is more than ₹ 10.00 crores but below ₹ 25.00 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than Promoters shareholders against the proposal.

## MARKET MAKING

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME platform of BSE for a minimum period of 3 years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Book Running Lead Manager and the Market Maker please refer to Section titled, '*General Information - Details of the Market Making Arrangements for this Issue*', beginning on page 51 of this Red Herring Prospectus.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Chennai, Tamil Nadu, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be Issued or sold within the United States to, or for the account or benefit of "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is more than ten crore rupees and upto twenty-five crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this issue, please refer to chapter titled "**Terms of the Issue**" and "**Issue Procedure**" beginning on page 191 and 203 respectively of this Red Herring Prospectus.

Initial Public Issue of upto 27,13,600 Equity Shares of ₹ 10.00 each (the "Equity Shares") for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs ("the Issue") by the issuer Company (the "Company").

The Issue comprises a reservation of Upto 1,36,000 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of upto 25,77,600 Equity Shares of face value of ₹ 10.00 each fully paid for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating to ₹ [●] Lakhs (the Net Issue). The Issue and the Net Issue will constitute 26.54% and 25.21% respectively of the Post Issue Paid-up Equity Share Capital of the Company. The Issue is being made through the Book Building Process.

Particulars of the Issue <sup>(2)</sup>	Market Maker Reservation Portion	QIBs	Non-Institution allInvestors	Retail Individual Investors
<b>Number of Equity Shares available for allocation</b>	Upto 1,36,000 Equity Shares	Not more than 12,88,000 Equity Shares	Not less than 3,87,200 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 9,02,400 Equity Shares available for allocation or Issue less allocation to QIB Bidders and Non-Institutional Bidders.
<b>Percentage of Issue Size available for allocation</b>	5.01 % of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion.	Not less than 15% of the Issue less allocation to QIB Bidders and RIBs will be available for allocation.	Not less than 35% of the Issue less allocation to QIBs and Non-Institutional Bidders will be available for allocation
<b>Basis of Allotment <sup>(3)</sup></b>	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion):  (a) Up to [●] Equity Shares shall be available for allocation on a	Allotment to each Non- Institutional Bidder shall not be less than the Minimum NIB Application Size, subject to the availability of Equity Shares in the Non-	Allotment to each Retail Individual Bidder shall not be less than the maximum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available



		<p>proportionate basis to Mutual Funds only; and Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.</p> <p>Up to 60% of the QIB Portion (of up to 7,72,800 Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	<p>Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis. For details, see “Issue Procedure” beginning on page 203 of this Red Herring Prospectus.</p>	<p>Equity Shares is any, shall be allotted on proportionate basis. For details, see “Issue Procedure” beginning on page 203 of this Red Herring Prospectus.</p>
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.			
<b>Minimum Bid Size</b>	1,36,000 Equity Shares	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹ 2,00,000	Such number of Equity Shares and in multiples of 1,600 Equity Shares that the Bid Amount exceeds ₹200,000	1,600 Equity Shares
<b>Maximum Bid Size</b>	1,36,000 Equity Shares	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Net Issue, subject to applicable limits	Such number of Equity Shares in multiples of 1,600 Equity Shares not exceeding the size of the Net Issue (excluding the QIB portion), subject to applicable limits	Such number of Equity Shares in multiples of 1,600 Equity Shares so that the Bid Amount does not exceed ₹200,000
<b>Trading Lot</b>	1,600 Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	1,600 Equity Shares and in multiples thereof	1,600 Equity Shares and in multiples thereof	1,600 Equity Shares and in multiples thereof
<b>Terms of Payment</b>	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup>			
<b>Mode of Bid</b>	Only through the ASBA process.		Only through the ASBA process	Through ASBA Process Through Banks or by using UPI ID for payment

*This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time.*

(1) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

(2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

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

(4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “Issue Procedure - Bids by FPIs” on page 203 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, our Company in consultation with Book Running Lead Manager, reserves the right not to proceed with this issue at any time after the Issue Opening Date, but before our Board meeting for Allotment without assigning reasons thereof.

If our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-issue advertisements were published.

Further, the Stock Exchanges shall be informed promptly in this regard and the Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification.

In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Offer Document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final Listing and Trading Approval of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non-Retail Applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

## JURISDICTION

Exclusive jurisdiction for the purpose of this issue is with the competent courts / authorities at Chennai, Tamil Nadu.

## ISSUE PROGRAMME

<b>Issue Opening Date</b>	Friday, April 28, 2023
<b>Issue Closing Date</b>	Wednesday, May 03, 2023

Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/ Issue Opening Date in accordance with the SEBI ICDR Regulations.

Applications and any revisions to the same will be accepted only between 10.00 A.M. to 5.00 P.M. (IST) during the Issue Period at the Application Centers mentioned in the Bid-Cum- Application Form.

Standardization of cut-off time for uploading of applications on the Bid/ Issue Closing Date:

- a) A standard cut-off time of 3.00 P.M. for acceptance of applications.
- b) A standard cut-off time of 4.00 P.M. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 P.M. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by BSE after taking into account the total number of applications received up to the closure of timings and reported by BRLM to BSE within half an hour of such closure.

It is clarified that Bids not uploaded would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum- Application Form, for a particular bidder, the details as per physical Bid-Cum-application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding bank holidays).

## **ISSUE PROCEDURE**

All Bidders should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the Book Running Lead Manager. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum 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 (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI

Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Please note that the information stated / covered in this section may not be complete and / or accurate and as such would be subject to modification / change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus.

This section applies to all the Bidders, please note that all the Bidders are required to make payment of the Full Application Amount along with the Bid Cum Application Form.

## **Phased implementation of Unified Payments Interface**

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “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 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.

## **PART A**

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-



subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

***Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.***

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE, at least one day prior to the Bid / Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Issue is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the 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.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

### **Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour*
Anchor Investor**	Grey
Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA)	Blue

\*Excluding Electronic Bid cum Application Form

\*\* Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit / deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’)
4.	A depository participant (‘DP’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent (‘RTA’) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

*The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.*

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB:</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs:</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his / her mobile application, associated with UPI ID linked bank account.

The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in



the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid / Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid / Issue Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions / investor complaints to the Sponsor Bank and the Bankers to the Issue. The BRLMs shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Issue for analysing the same and fixing liability.

Stock exchange shall allow modification of selected fields viz. DP ID / Client ID or Pan ID (Either DP ID / Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

### **Availability of Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE (www.bseindia.com) at least one day prior to the Bid / Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals’ resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder ‘s category;

- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts / societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and / or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25.00 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25.00 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**1. For Retail Individual Bidders**

The Application must be for a minimum of 1,600 Equity Shares and in multiples of 1,600 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000/-. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000/-.

## 2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2,00,000/- and in multiples of 1,600 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹2,00,000/- for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

### METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Chennai Edition of Regional newspaper Madrasmani where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Issue Period.

- a) The Bid / Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid / Issue Period maybe extended, if required, by an additional three Working Days, subject to the total Bid / Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Issue Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and Chennai Edition of Regional newspaper Madrasmani where the registered office of the company is situated, each with wide circulation and also by indicating the change on the website of the Book Running Lead Manager.
- b) During the Bid / Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid / Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder / Applicant at or above the Issue Price will be considered for allocation / Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.
- e) Except in relation to the Bids received from the Investors, the BRLM / the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid / Issue Period i.e., one working day prior to the Bid / Issue Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

- f) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “*Escrow Mechanism - Terms of payment and payment into the Escrow Accounts*” in the section “*Issue Procedure*” beginning on page 203 of this Draft Red Herring Prospectus.
- g) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- h) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- i) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- j) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal / failure of the Issue or until withdrawal / rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid / Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e., the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque / demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates / Affiliates of BRLM and the Syndicate Members:**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoter and Promoter Group can apply in the Issue under the Anchor Investor Portion.

**Option to Subscribe in the Issue:**

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit / minimum number of Equity Shares that can be held by him / her / it under the relevant regulations / statutory guidelines and applicable law.

**Information for the Bidders:**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and / or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and / or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his / her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match



with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

### **BIDS BY ANCHOR INVESTORS:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid / Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid / Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid / Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid / Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoter, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

**BIDS BY ELIGIBLE NRIS:**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

**BIDS BY FPI INCLUDING FII'S:**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an 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 a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our 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 sectorial 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. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

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 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 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 an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non- Residents (blue in colour).



### **BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

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 BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

### **BIDS BY HUF'S:**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

### **BIDS BY MUTUAL FUNDS:**

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 index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum 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 Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES:**

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Issue shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

### **BIDS BY LIMITED LIABILITY PARTNERSHIPS:**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

### **BIDS BY INSURANCE COMPANIES:**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

1. equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
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 belong 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 (1), (2) and (3) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **BIDS UNDER POWER OF ATTORNEY:**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and / or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form.
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised

to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

#### **BIDS BY PROVIDENT FUNDS / PENSION FUNDS:**

In case of Bids made by provident funds with minimum corpus of ₹ 25.00 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25.00 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund / pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY:**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSB'S:**

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 Bid cum 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 Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment Mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal / rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal / failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a) In case of resident Anchor Investors: — “Escrow Account Innokaiz India Limited Anchor Investor- R”
- b) In case of Non-Resident Anchor Investors: — “Escrow Account Innokaiz India Limited Anchor Investor- NR”
- c) Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - a) the applications accepted by them,

- b) the applications uploaded by them
  - c) the applications accepted but not uploaded by them or
  - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to;
    - (i) The applications accepted by any Designated Intermediaries
    - (ii) The applications uploaded by any Designated Intermediaries or
    - (iii) The applications accepted but not uploaded by any Designated Intermediaries
  5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
  6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. No.	Details*
1.	Symbol
2.	Intermediary Code
3.	Location Code
4.	Application No.
5.	Category
6.	PAN
7.	DP ID
8.	Client ID
9.	Quantity
10.	Amount

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;

- Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
  9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
  10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
  11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and / or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
  13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid / Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
  14. The SCSBs shall be given one day after the Bid / Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
  15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the Book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid / Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid / Issue Period.

### **Withdrawal of Bids**

- a) RIIs can withdraw their Bids until Bid / Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid / Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.



### **Price Discovery and Allocation**

- a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- d) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

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

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

Bids are valid Bids and are considered for allocation in the respective categories.

### **Signing of Underwriting Agreement and Registering of Red Herring Prospectus / Prospectus with ROC**

- a) Our company has entered into an Underwriting Agreement dated January 11, 2023.
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 26 and 32 of Companies Act, 2013.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid / Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.



## **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS:**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## **GENERAL INSTRUCTIONS:**

Please note that the NIIs are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid / Issue period and withdraw their Bids until Bid / Issue Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. In case of Joint bids, ensure the first bidder is the ASBA Account holder (or the UPI linked bank account holder, as the case may be) and the signature of the first bidder is included in the Bid cum Application Form;
8. QIBs, Non-Institutional Bidders and the Retail Bidders should submit their Bids through the ASBA process only. However, pursuant to SEBI circular dated November 01, 2018, RII may submit their bid by using UPI mechanism for payment.
9. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
11. Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
12. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
13. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic

Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
16. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
21. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
22. Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Bid cum Application Form;
23. Ensure that you have mentioned the details of your own bank account for blocking of fund or your own bank account linked UPI ID to make application in the Public Issue;
24. Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
25. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
26. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and
27. The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don't's:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only.
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceed ₹ 2,00,000/- (for Applications by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Application exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Applicant;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit a Bid by using details of the third party's bank account or UPI ID which is linked with bank account of the third party. Kindly note that Bids made using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

#### **Other instructions for the Bidders Joint Bids**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form / Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

##### **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

##### **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit / refund orders / unblocking etc. the Investors can contact the Compliance Officer of our Company.

##### **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## Submission of Bids

- a) During the Bid / Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## GROUNDINGS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form / Application Form does not tally with the amount payable for the value of the Equity Shares Bid / Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest / money order / postal order / cash / cheque / demand draft / pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid / Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary 's account numbers.
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;

- Bids by US persons other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act.
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form / Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form / Application Form. Bids not duly signed by the sole / First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the BID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to DRHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

### **a) For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b) For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### **c) For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders / Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

a) In the first instance allocation to Mutual Funds for [●] % of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds [●] % of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than [●] % of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●] % of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below [●] % of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.



**d) ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
  - ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and
    - in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

**c) In the event that the Issue Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

**d) In the event the Issue Price is lower than the Anchor Investor Allocation Price:**

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

**e) Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Issue:**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.



- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this Red Herring Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000/- Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

#### **Issuance of Allotment Advice:**

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

3. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

#### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment / or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid / Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form:**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., www.bseindia.com and NSE i.e., www.nseindia.com. With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository

Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com)

### **Bidder's Depository Account and Bank Details:**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form:**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications:**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay:**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) 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.

### **Right to Reject Applications:**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

### **Impersonation:**

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

#### **“Any person who—**

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”

### **Undertakings by Our Company:**

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. 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;
4. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That our Promoter 's contribution in full has already been brought in;
6. That no further Issue of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
7. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
8. If our Company does not proceed with the Issue after the Bid / Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid / 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;
9. If our Company withdraws the Issue after the Bid / Issue Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange / RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
10. If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded / unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

### **Utilization of Issue Proceeds:**

The Board of Directors of our Company certifies that:

1. All monies received out of the Issue shall be credited / transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to 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.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL:**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- Tripartite Agreement dated April 13, 2022 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated April 07, 2022 between CDSL, our Company and Registrar to the Issue.

The Company's equity shares bear an International Securities Identification Number INE0LDI01022

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“FEMA”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“RBI”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (“DPIIT”) issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2) / 2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

Under the current applicable sectoral cap, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present our Company is in the business of Media and Entertainment – Branding, Marketing, Events, MICE, R&R and E Commerce. As these sectors / activities are not specifically listed under the FDI Policy 2020, it shall come under the Permitted Sectors category, hence 100 % foreign direct investment through automatic route is permitted subject to applicable laws / regulations, security and other conditionalities.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non- Debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction / purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Pursuant to the Foreign Exchange Management (Non- Debt Instruments) (Fourth Amendment) Rules, 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. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve Bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

### **Investment conditions / restrictions for overseas entities**

#### **i. Investment by FPIs under Portfolio Investment Scheme (PIS):**

FPIs are permitted to subscribe to Equity Shares of an Indian Company in a public issue without the prior approval of the RBI, so long as the price of the Equity Shares to be issued is not less than the price at which the Equity Shares are issued to residents. SEBI registered FPIs have been permitted to purchase shares of an Indian company through Issue, subject to total FPI investment being within the individual FPI investment limit of below 10% of the total paid-up equity capital of the Indian Company on a fully diluted basis and subject to the aggregate limit of all FPIs put together being 24% of the total paid-up equity capital of the Indian company on a fully diluted basis. However, this aggregate limit of 24% may be increased up to sectoral cap / statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body, respectively before



March 31, 2020. With effect from April 01, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as laid out in sub-paragraph (b) of paragraph 3 of Schedule I of the FDI Policy, 2020, with respect to its paid-up equity capital on a fully diluted basis or such same sectoral cap percentage of paid-up value of each series of debentures or preference shares or share warrants. The aggregate limit as provided above may be decreased by the Indian company concerned to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively before March 31, 2020. The Indian company which has decreased its aggregate limit to 24% or 49% or 74%, may increase such aggregate limit to 49% or 74% or the sectoral cap or statutory ceiling respectively as deemed fit, with the approval of its Board of Directors and its General Body through a resolution and a special resolution, respectively; however, once the aggregate limit has been increased to a higher threshold, the Indian company cannot reduce the same to a lower threshold.

**ii. Investment by NRI or OCI on repatriation basis:**

As per Schedule 3 of the Foreign Exchange Management (Non- Debt Instruments) Rules, 2019, an NRI or OCI may purchase or sell shares of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions that NRIs or OCIs may purchase and sell shares through a branch designated by an authorised dealer for the purpose; and the total holding by any individual NRI or OCI shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the company.

**iii. Investment by NRI or OCI on non-repatriation basis**

As per Schedule 4 of the Foreign Exchange Management (Non- Debt Instruments) Rules, 2019, purchase by an NRI / OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs / OCIs, on non-repatriation basis of shares and convertible debentures or warrants issued by a company without any limit either on the stock exchange or outside, it will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions. However, NRI / OCI, including a company, a trust and a partnership firm incorporated outside India and owned and controlled by NRIs / OCIs, is prohibited from making any investment, under Schedule 4, in capital instruments or units of a Nidhi company or a company engaged in agricultural / plantation activities or real estate business or construction of farm houses or dealing in transfer of development rights.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.

Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Book Running Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the

Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



**SECTION XII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

**THE COMPANIES ACT 2013  
(Incorporated under Companies Act, 1956)**

**COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION\***

**OF**

**INNOKAIZ INDIA LIMITED  
(Formerly known as Innokaiz India Private Limited)**

*Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the Main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and Transmission of equity shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the articles of association and defined terms herein have the meaning given to them in the Articles of Association.*

<b>1.</b>	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.	<b>Table F Applicable.</b>
	Interpretation Clause	
<b>2.</b>	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) <b>"The Act"</b> means the Companies Act, 2013 and includes any statutory modification or re- enactment thereof for the time being in force.	<b>Act</b>
	(b) <b>"These Articles"</b> means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) <b>"Auditors"</b> means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) <b>"Capital"</b> means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) <b>**"The Company"</b> shall mean <b>'INNOKAIZ INDIA LIMITED'</b>	
	(f) <b>"Executor"</b> or <b>"Administrator"</b> 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.	<b>Executor or Administrator</b>
	(g) <b>"Legal Representative"</b> means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>

*\*1. In the extra ordinary General Meeting of shareholder held on December 29, 2022 special resolution has been passed for adoption of new set of Article of association which is applicable to Public Company as per Company Act, 2013. Earlier set of Articles of Association appended after these new set of Article of Association.*

	(i) <b>"In Writing"</b> and <b>"Written"</b> includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) <b>"Meeting"</b> or <b>"General Meeting"</b> means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) <b>"Month"</b> means a calendar month.	<b>Month</b>
	(m) <b>"Annual General Meeting"</b> means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) <b>"Extra-Ordinary General Meeting"</b> means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>

	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(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.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(z) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(aa) "Year" means the "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the samemeanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	
<b>3.</b>	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.	<b>Authorized Capital.</b>
<b>4.</b>	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.	<b>Increase of capital by the Company how carried into effect</b>
<b>5.</b>	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 installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
<b>6.</b>	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.	<b>Non-Voting Shares</b>
<b>7.</b>	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.	<b>Redeemable Preference Shares</b>
<b>8.</b>	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>

<p><b>9.</b></p>	<p>On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:</p> <p>(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;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(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;</p> <p>(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</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be affected 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</p>	<p><b>Provisions to apply on issue of Redeemable Preference Shares</b></p>
<p><b>10.</b></p>	<p>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</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>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.</p>	<p><b>Reduction of capital</b></p>
<p><b>11.</b></p>	<p>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.</p>	<p><b>Debentures</b></p>
<p><b>12.</b></p>	<p>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.</p>	<p><b>Issue of Sweat Equity Shares</b></p>
<p><b>13.</b></p>	<p>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.</p>	<p><b>ESOP</b></p>
<p><b>14.</b></p>	<p>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.</p>	<p><b>Buy Back of shares</b></p>
<p><b>15.</b></p>	<p>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.</p>	<p><b>Consolidation, Sub-Division and Cancellation</b></p>
<p><b>16.</b></p>	<p>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.</p>	<p><b>Issue of Depository Receipts</b></p>

17.	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.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	(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.	<b>Modification of rights</b>
	(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 paripassu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>
19.	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.	<b>Shares at the disposal of the Directors.</b>
20.	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.	<b>Power to issue shares on preferential basis.</b>
21.	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 subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
22.	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.	<b>Acceptance of Shares.</b>
23.	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.	<b>Directors may allot shares as full paid-up</b>
24.	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.	<b>Deposit and call etc. to be a debt payable immediately.</b>

25.	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.	<b>Liability of Members.</b>
26.	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.	<b>Registration of Shares.</b>
<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>		
27.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act.	
<b>CERTIFICATES</b>		
28.	<p>(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 two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month 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 or 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 of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(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.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. When a new Share certificate has been issued in pursuance of the preceding clause of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is —" Issued in lieu of Share Certificate No..... sub-divided/replaced/on consolidation of Shares".</p>	<b>Share Certificates.</b>
29.	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. 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 Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for	<b>Issue of new certificates in place of those defaced, lost or destroyed.</b>



	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 Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	
30.	(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. (b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>The first named joint holder deemed Sole holder.</b>  <b>Maximum number of joint holders.</b>
31.	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.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
<b>UNDERWRITING AND BROKERAGE</b>		
33.	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.	<b>Commission</b>
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
35.	(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 installments.	<b>Directors may make calls</b>
36.	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.	<b>Notice of Calls</b>
37.	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.	<b>Calls to date from resolution.</b>
38.	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.	<b>Calls on uniform basis.</b>
39.	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	<b>Directors may extend time.</b>

	entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	
40.	If a sum called in respect of the shares is not paid before or on the day appointed for payment thereof the person from whom the sum is due shall pay interest upon the sum at such rate not exceeding 12% per annum or at such lower rate, if any, as the Board may determine, but the Board of Directors shall be at liberty to waive payment of that interest wholly or in part.	<b>Calls to carry interest.</b>
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
42.	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, if 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.	<b>Proof on trial of suit for money due on shares.</b>
43.	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.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
44.	(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. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	<b>Payments in Anticipation of calls may carry interest</b>
	<b>LIEN</b>	
45.	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. Provided that the fully paid shares shall be free from all lien, while in the case of partly paid shares, the company's lien, if any, shall be restricted to moneys called or payable at a fixed time in respect of such shares.	<b>Company to have Lien on shares.</b>



46.	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.	<b>As to enforcing lien by sale.</b>
47.	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.	<b>Application of proceeds of sale.</b>
<b>FORFEITURE AND SURRENDER OF SHARES</b>		
48.	If any Member fails to pay the whole or any part of any call or installment 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 installment 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 installment 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 installment 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.	<b>If call or installment not paid, notice may be given.</b>
49.	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 installment and such interest thereon as the Directors shall determine from the day on which such call or installment 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 installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>
50.	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 installments, 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.	<b>On default of payment, shares to be forfeited.</b>
51.	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.	<b>Notice of forfeiture to a Member</b>
52.	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.	<b>Forfeited shares to be property of the Company and maybe sold etc.</b>
53.	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, installments, 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.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
54.	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	<b>Effect of forfeiture.</b>

	rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	
55.	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.	<b>Evidence of Forfeiture.</b>
56.	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 irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
57.	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.	<b>Cancellation of share certificate in respect of forfeited shares.</b>
58.	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.	<b>Forfeiture may be remitted.</b>
59.	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.	<b>Validity of sale</b>
60.	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.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
61.	(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.	<b>Execution of the instrument of shares.</b>
62.	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. Provided that the company shall use a common form of transfer.	<b>Transfer Form.</b>
63.	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.	<b>Transfer not to be registered except on production of instrument of transfer.</b>

64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
65.	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.	<b>Notice of refusal to be given to transferor and transferee.</b>
66.	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.	<b>No fee on transfer.</b>
67.	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.	<b>Closure of Register of Members or debenture holder or other security holders.</b>
68.	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.	<b>Custody of transfer Deeds.</b>
69.	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.	<b>Application for transfer of partly-paid shares.</b>
70.	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.	<b>Notice to transferee.</b>
71.	<p>(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.</p> <p>(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</p> <p>(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.</p>	<b>Recognition of legal representative.</b>
72.	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	<b>Titles of Shares of deceased Member</b>

	deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.	
73.	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.	<b>Notice of application when to be given</b>
74.	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'.	<b>Registration of persons entitled to share otherwise than by transfer. (Transmission clause).</b>
75.	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.	<b>Refusal to register nominee.</b>
76.	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.	<b>Board may require evidence of transmission.</b>
77.	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.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
78.	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.	<b>Form of transfer Outside India.</b>
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
	<b>NOMINATION</b>	
80.	<p>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.</p> <p>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</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>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.</p>	<b>Nomination</b>



81.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <ul style="list-style-type: none"> <li>(i) to be registered himself as holder of the security, as the case may be; or</li> <li>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</li> <li>(iii) if the nominee elects to be registered as holder of the security, himself, as the case maybe, 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;</li> <li>(iv) a nominee shall be entitled to the same dividends and other advantages to which he wouldbe 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 itto exercise any right conferred by membership in relation to meetings of the Company.</li> </ul> <p>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.</p>	<b>Transmission of Securities by nominee</b>
<b>DEMATERIALIZATION OF SHARES</b>		
82.	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.	<b>Dematerialisation of Securities</b>
<b>JOINT HOLDER</b>		
83.	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 andother provisions contained in these Articles.	<b>Joint Holders</b>
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respectof all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(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;	<b>Title of survivors.</b>
	(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	<b>Receipts of one sufficient.</b>
	(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 orto 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.	<b>Delivery of certificate and giving of notices tofirst named holders.</b>
<b>SHARE WARRANTS</b>		
85.	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 authenticatedby 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.	<b>Power to issue share warrants</b>
86.	<ul style="list-style-type: none"> <li>(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.</li> <li>(b) Not more than one person shall be recognized as depositor of the Share warrant. The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</li> </ul>	<b>Deposit of share warrants</b>

87.	(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.	<b>Privileges and disabilities of the holders of share warrant</b>
88.	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.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
89.	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.	<b>Conversion of shares into stock or reconversion.</b>
90.	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.	<b>Transfer of stock.</b>
91.	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.	<b>Rights of stock holders.</b>
92.	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.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
93.	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, anybody 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.	<b>Power to borrow.</b>
94.	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.	<b>Issue of discount etc. or with special privileges.</b>
95.	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, charge, 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.	<b>Securing payment or repayment of Moneys borrowed.</b>



96.	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.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
97.	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.	<b>Mortgage of uncalled Capital.</b>
98.	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 surety 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.	<b>Indemnity may be given.</b>
	<b>MEETINGS OF MEMBERS</b>	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
100.	(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	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) 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.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
101.	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.	<b>Meeting not to transact business not mentioned in notice.</b>
102.	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 Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
104.	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.	<b>Chairman with his consent may adjourn meeting.</b>
105.	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.	<b>Chairman's casting vote.</b>
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>

107.	The demand for a poll except on the question of the election of the 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.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
108.	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.	<b>Members in arrears not to vote.</b>
109.	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.	<b>Number of votes each member entitled.</b>
110.	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.	<b>Casting of votes by a member entitled to more than one vote.</b>
111.	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.	<b>Vote of member of unsound mind and of minor</b>
112.	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.	<b>Postal Ballot</b>
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
114.	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 joint holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	<b>Votes of joint members.</b>
115.	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	<b>Votes may be given by proxy or by representative</b>
116.	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.	<b>Representation of a body corporate.</b>
117.	(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.	<b>Members paying money in advance.</b>

	(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.	<b>Members not prohibited if share not held for any specified period.</b>
<b>118.</b>	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 indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>Votes in respect of shares of deceased or insolvent members.</b>
<b>119.</b>	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.	<b>No votes by proxy on show of hands.</b>
<b>120.</b>	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.	<b>Appointment of a Proxy.</b>
<b>121.</b>	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
<b>122.</b>	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.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
<b>123.</b>	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.	<b>Time for objections to votes.</b>
<b>124.</b>	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.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
	<b>DIRECTORS</b>	
<b>125.</b>	(a) 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 <b>(b) Followings are the first directors of the company:</b> <b>1. SUKUMAR BALAKRISHNAN (DIN:06464374)</b> <b>2. SIGAMANI SURENDRAN (DIN:06464381)</b> <b>3. SIGAMANI SRINIVASAN (DIN:06464408)</b>	<b>Number of Directors</b>
<b>126.</b>	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification Shares.</b>
<b>127.</b>	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, 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	<b>Nominee Directors.</b>

	<p>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.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	
128.	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.	<b>Appointment of alternate Director.</b>
129.	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.	<b>Additional Director</b>
130.	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.	<b>Directors power to fill casual vacancies.</b>
131.	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.	<b>Sitting Fees.</b>
132.	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.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
133.	<p>(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.</p> <p>(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.</p>	<b>Meetings of Directors.</b>
134.	<p>a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairperson is not present within Fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.</p> <p>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.</p>	<b>Chairperson</b>
135.	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 will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
136.	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.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
137.	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	<b>Directors may appoint committee.</b>



	such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	
138.	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.	<b>Committee Meeting show to be governed.</b>
139.	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.	<b>Chairperson of Committee Meetings</b>
140.	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.	<b>Meetings of the Committee</b>
141.	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.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
142.	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.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
143.	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.	<b>Powers of the Board</b>
144.	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	<b>Certain powers of the Board</b>
	(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.	<b>To acquire any property, rights etc.</b>
	(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.	<b>To take on Lease.</b>
	(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.	<b>To erect &amp; construct.</b>

	(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.	<b>To pay for property.</b>
	(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.	<b>To insure properties of the Company.</b>
	(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.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment 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.	<b>To secure contracts by way of mortgage.</b>
	(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.	<b>To accept surrender of shares.</b>
	(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.	<b>To appoint trustees for the Company.</b>
	(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.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(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.	<b>To issue receipts &amp; give discharge.</b>
	(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.	<b>To invest and deal with money of the Company.</b>
	(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;	<b>To give Security by way of indemnity.</b>
	(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.	<b>To determine signing powers.</b>
	(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.	<b>Commission or share in profits.</b>



	(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.	<b>Bonus etc. to employees.</b>
	(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.	<b>Transfer to Reserve Funds.</b>
	(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.	<b>To appoint and remove officers and other employees.</b>
	(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.	<b>To appoint Attorneys.</b>
	(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.	<b>To enter into contracts.</b>
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
	(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.	<b>To effect contracts etc.</b>

	(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.	<b>To apply &amp; obtain concessions licenses etc.</b>
	(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.	<b>To pay commissions or interest.</b>
	(26) To redeem preference shares.	<b>To redeem preference shares.</b>
	(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.	<b>To assist charitable or benevolent institutions.</b>
	(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	

	<p>powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(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.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
145.	<p>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.</p> <p>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.</p>	<b>Powers to appoint Managing/ Whole-time Directors.</b>
146.	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.	<b>Remuneration of Managing or Whole-time Director.</b>
147.	<p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>
	<b>CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER</b>	
148.	<p>a) Subject to the provisions of the Act, —</p> <p>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 thinks 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;</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>

	<p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>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.</p>	
	<b>THE SEAL</b>	
149.	<p>(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.</p> <p>(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.</p>	<b>The seal, its custody and use.</b>
150.	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.	<b>Deeds how executed.</b>
	<b>DIVIDEND AND RESERVES</b>	
151.	<p>(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.</p> <p>(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.</p> <p>(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.</p>	<b>Division of profits.</b>
152.	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.	<b>The company in General Meeting may declare Dividends.</b>
153.	<p>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, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
154.	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.	<b>Interim Dividend.</b>
155.	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.	<b>Debts may be deducted.</b>
156.	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.	<b>Capital paid up in advance not to earn dividend.</b>
157.	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.	<b>Dividends in proportion to amount paid-up.</b>

158.	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.	<b>Retention of dividends until completion of transfer under Articles.</b>
159.	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.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
161.	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.	<b>Dividend to joint holders.</b>
162.	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.	<b>Dividends how remitted.</b>
163.	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.	<b>Notice of dividend.</b>
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>
<b>CAPITALIZATION</b>		
165.	(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.	<b>Capitalization.</b>
166.	(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,	<b>Fractional Certificates.</b>



	<p>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.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(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.</p>	
167.	<p>(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.</p> <p>(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.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
168.	<p>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.</p> <p>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.</p>	<b>Inspection of Accounts</b>
	<b>FOREIGN REGISTER</b>	
169.	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.	<b>Foreign Register.</b>
	<b>DOCUMENTS AND SERVICE OF NOTICES</b>	
170.	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.	<b>Signing of documents &amp; notices to be served or given.</b>
171.	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.	<b>Authentication of documents and proceedings.</b>
	<b>WINDING UP</b>	
172.	<p>Subject to the provisions of Chapter XX of the Act and rules made thereunder—</p> <p>(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.</p> <p>(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.</p> <p>(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.</p>	



<b>INDEMNITY</b>		
173.	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.	<b>Directors' and others right to indemnity.</b>
174.	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.	<b>Not responsible for acts of others</b>
<b>SECRECY</b>		
175.	(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.	<b>Secrecy</b>
	(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.	<b>Access to property information etc.</b>

## **SECTION XIII: OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the Registrar of Companies for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company situated at Door No. 43, Old No. 22, Real Enclave, Flat No. 1, 4th Floor, Josier Street, Nungambakkam, Chennai- 600034, Tamil Nadu, India from date of filing the Red Herring Prospectus with ROC to Issue Closing Date on working days from 10:00 a.m. to 5:00 p.m.

#### **A. Material Contracts**

1. Memorandum of Understanding dated January 11, 2023 between our Company and the Book Running Lead Manager.
2. Registrar to the Issue Agreement dated January 11, 2023 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated January 11, 2023 between our Company, the Book Running Lead Manager and Underwriters.
4. Market Making Agreement dated January 11, 2023 between our Company, Book Running Lead Manager and Market Maker.
5. Banker to the Issue Agreement dated April 17, 2023 between our Company, the Book Running Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Syndicate Agreement dated April 17, 2023 among our Company, the Book Running Lead Manager and Syndicate Member
7. Tripartite agreement between the National Securities Depository Limited, our Company and the Registrar dated April 13, 2022.
8. Tripartite agreement between the Central Depository Services (India) Limited, our Company and the Registrar April 07, 2022.

#### **B. Material Documents**

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of Incorporation dated January 11, 2013 issued by Registrar of Companies, Tamil Nadu, Chennai, Andaman and Nicobar Islands.
3. Fresh Certificate of Incorporation dated September 27, 2022 issued by Registrar of Companies consequent to conversion of company from Innokaiz India Private Limited to Innokaiz India Limited pursuant to the conversion of our Company into a Public Limited Company.
4. Resolution of the Board of Directors of our Company, passed at the Meeting of the Board of Directors held on January 02, 2023 in relation to the Issue.
5. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on January 04, 2023 relation to the Issue.
6. The Statement of Special Tax Benefits dated April 18, 2023 issued by the Statutory Auditor included in this Red Herring Prospectus.
7. Statutory Auditor's report for Restated Financials dated April 18, 2023 included in this Red Herring Prospectus.

8. Consents of the Directors, Promoter, Chief Financial Officer, Statutory Auditor, Company Secretary, Book Running Lead Manager, Underwriter, Market Maker to the Issue, Legal Advisor to the Issue, Registrar to the Issue, Syndicate Member, Banker to the Issue and Banker to the Company to include their names in the Red Herring Prospectus to act in their respective capacities.
9. Due Diligence Certificate dated April 22, 2023 addressed to SEBI from Book Running Lead Manager.
10. Approval from BSE Limited vide letter dated April 12, 2023 to use the name of BSE in this Offer Document for listing of Equity Shares on SME Platform of BSE Limited.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

## DECLARATION

We, certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the Government of India or the regulations or guidelines issued by SEBI, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the statements in this Red Herring Prospectus are true and correct.

NAME AND DESIGNATION	SIGNATURE
<b>MR. BALAKRISHNAN SUKUMARBALAKRISHNAN</b> Managing Director DIN: 06464374	Sd/-
<b>MR. SELVARAJ DURAIRAJ</b> Executive Director DIN: 08181614	Sd/-
<b>MR. KESAVAPATHY</b> Non- Executive Director DIN: 09623665	Sd/-
<b>MR. RAMAMOORTHY KUMARESAN</b> Independent Director DIN: 09623655	Sd/-
<b>MS. SIVAGAMI R</b> Independent Director DIN: 09725967	Sd/-

**SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-  
**MS. BALARAMAN SUGANTHI**  
 Chief Financial Officer  
 PAN: DXCPS2184D

Sd/-  
**MS. MAMTA SAINI**  
 Company Secretary & Compliance Officer  
 PAN: HFDPS8939R

**Place:** Chennai  
**Date:** April 22, 2023

**ANNEXURE – A**
**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY GRETEX CORPORATE SERVICES LIMITED**

Sr. No.	Issuer Name	Issue Size (Cr)	Issue Price (In ₹)	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	Clara Industries Limited	3.02	43.00	December 29, 2021	43.20	68.75, [-1.05]	106.82, [0.24]	127.84, [-8.04]
2	Goel Food Products Limited	7.21	72.00	June 28, 2022	75.00	12.70, [6.92]	129, [7.46]	116.51, [12.54]
3	Sailani Tours N Travels Limited	1.90	15.00	July 08, 2022	15.50	179.35, [7.17]	264.17, [6.87]	124.34, [11.34]
4	Jayant Infratech Limited	6.19	67.00	July 13, 2022	76.00	218.92, [11.12]	538.03, [6.79]	443.23, [13.52]
5	B-Right RealEstate Limited	44.36	153.00	July 13, 2022	155.00	-5.19, [11.12]	-15.26, [-6.79]	60.49, [13.52]
6	Shantidoot Infra Services Limited	4.02	81.00	September 19, 2022	105.00	-24.26, [-0.31]	-28.26, [3.71]	-28.80, [-1.95]
7	Steelman Telecom Limited	26.02	96.00	October 10, 2022	161.00	31.29, [5.25]	0.21, [3.29]	-14.23, [3.18]
8	Reetech International Cargo and Courier Limited	11.71	105.00	October 10, 2022	82.00	-0.78, [5.25]	-7.89, [3.29]	-14.23, [3.18]
9	ResGen Limited	28.20	47.00	March 13, 2023	49.00	18.10, [3.70]	N.A.	N.A.
10	Sudarshan Pharma Industries Limited	50.10	73.00	March 22, 2023	73.00	6.50, [2.47]	N.A.	N.A.

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com)

**Note:**

- The BSE SENSEX are considered as the Benchmark Index.
- Price on BSE are considered for all the above calculations.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is not a trading day, the price / index of the immediately preceding working day has been considered.
- In case 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, scripts are not traded then the share price is taken of the immediately preceding trading day.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Book Running Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the Book Running Lead Manager are provided.

### SUMMARY STATEMENT OF DISCLOSURE

Financial Year	Total no. of IPOs	Total Funds Raised ('in Cr.)	No. of IPOs trading at Discount-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-30 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Discount-180 <sup>th</sup> calendar day from listing day			No. of IPOs trading at Premium-180 <sup>th</sup> calendar day from listing day		
			Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%
2020-21	*3	12.56	--	--	--	--	--	3	--	--	1	--	--	2
2021-22	**3	46.39	--	--	--	2	--	1	--	--	--	2	--	1
2022-23	***9\$	179.70	--	--	3	2	1	3	--	1	2	4	--	--

Upto April 22, 2023

\* The scrip with Listing date Billwin Industries Limited (June 30, 2020), G M Polyplast Limited (October 14, 2020) and Niks Technology Limited (March 31, 2021).

\*\*The scrip with Listing date PlatinumOne Business Services Limited (September 16, 2021), Markolines Traffic Controls Limited (September 27, 2021) and Clara Industries Limited (December 29, 2021)

\*\*\*The scrip with Listing date Goel Food Products Limited (June 28, 2022), Sailani Tours N Travels Limited (July 08, 2022), Jayant Infratech Limited (July 13, 2022), B-Right RealEstate Limited (July 13, 2022), Shantidoot Infra Services Limited (September 19, 2022), Steelman Telecom Limited (October 10, 2022), Reetech International Cargo and Courier Limited (October 10, 2022), ResGen Limited (March 13, 2023) and Sudarshan Pharma Industries Limited (March 22, 2023).

\$ The scrip of ResGen Limited and Sudarshan Pharma Industries Limited have not completed 180 Days from the date of listing.