



Draft Prospectus

Dated: April 25, 2025

Please read Section 26 and 28 of The Companies Act, 2013

100% Fixed Price Offer



BHAVIK ENTERPRISES LTD.

BHAVIK ENTERPRISES LIMITED

CIN: U51900MH2008PLC186771

| Registered Office | Corporate Office | Contact Person | Email and Telephone | Website |
|--|------------------|--|---|---|
| Office No. 1105, 11th Floor, DLH Park, S V Road, Goregaon West, Malad, Mumbai- 400064, Maharashtra, India. | N.A. | Mr. Nikhil D Bhatt Company Secretary and Compliance Officer | Email: investors@bhavikenterprises.com Telephone: +91 9152815659 | https://bhavikenterprises.com/ |

THE PROMOTERS OF OUR COMPANY ARE MR. MUKESH NATVERLAL THAKKAR, MR. BHAVIK MUKESH THAKKAR AND MS. PURNIMA MUKESH THAKKAR

DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

| TYPE | FRESH OFFER SIZE | OFS SIZE | TOTAL OFFER SIZE | ELIGIBILITY AND SHARE RESERVATION AMONG NII & II |
|------------------------------|--|--|--|--|
| Fresh Offer & Offer for Sale | 45,00,000 Equity Shares aggregating to ₹ 6,300.00 Lakhs. | 10,00,000 Equity Shares aggregating to ₹ 1,400.00 Lakhs. | 55,00,000 Equity Shares aggregating to ₹ 7,700.00 Lakhs. | The Offer is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations as the Company's post offer face value capital exceeds ₹ 10.00 Crores but does not exceed ₹ 25.00 Crores. |

DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION

| NAME | NO. OF SHARES OFFERED | WACA PER EQUITY SHARE (IN ₹)* |
|------------------------------|---|-------------------------------|
| Mr. Mukesh Natverlal Thakkar | 3,00,000 Equity Shares aggregating up to ₹ 420.00 Lakhs | 2.86 |
| Mr. Bhavik Mukesh Thakkar | 3,00,000 Equity Shares aggregating up to ₹ 420.00 Lakhs | 3.33 |
| Ms. Purnima Mukesh Thakkar | 4,00,000 Equity Shares aggregating up to ₹ 560.00 Lakhs | 3.33 |

*As certified by auditor, by way of their certificate dated April 12, 2025.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Offer Price is 14.00 times of the face value of the Equity Shares. The Offer Price (determined and justified by our Company and Selling Shareholders in consultation with the Lead Manager as stated in "Basis for Offer Price" on page 85 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 this Draft Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 28 of this Draft Prospectus.

ISSUER'S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly made by such Selling Shareholders in this Draft Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares Offered through this Draft Prospectus are proposed to be listed on SME Platform of BSE ("BSE SME"). Our Company has received "In-Principle" approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Offer, the Designated Stock Exchange shall be BSE.

LEAD MANAGER TO THE OFFER

| Name and Logo | Contact Person | Email & Telephone |
|--|----------------|--|
| CAPITAL ADVISORS PVT. LTD. Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited) | Mr. Parth Shah | E-mail: director@shcapl.com Telephone: 022-2870 6822 |

REGISTRAR TO THE OFFER

| Name and Logo | Contact Person | Email & Telephone |
|---|-----------------|--|
| Bigshare Services Pvt. Ltd. Bigshare Services Private Limited | Mr. Asif Sayyed | E-mail: ipo@bigshareonline.com Telephone: 022 - 6263 8200 |

OFFER PROGRAMME

OFFER OPENS ON: [●]

OFFER CLOSES ON: [●]

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**BHAVIK ENTERPRISES LTD.****Bhavik Enterprises Limited**

Our Company was originally incorporated on September 15, 2008 as “Bhavik Enterprises Limited” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. The Corporate Identification Number of our Company is U51900MH2008PLC186771. For further details on incorporation and registered office of our Company, see “History and Certain Corporate Matters” beginning on page 166 of this Draft Prospectus.

Registered Office: Office No. 1105, 11th Floor, DLH Park, S V Road, Goregaon West, Malad, Mumbai- 400064, Maharashtra, India.

Tel: +91 9152815659; **E-mail:** investors@bhavikenterprises.com; **Website:** <https://bhavikenterprises.com/>;

Contact Person: Mr. Nikhil D Bhatt, Company Secretary and Compliance Officer;

OUR PROMOTERS: MR. MUKESH NATVERLAL THAKKAR, MR. BHAVIK MUKESH THAKKAR AND MS. PURNIMA MUKESH THAKKAR

INITIAL PUBLIC OFFER OF 55,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (THE “EQUITY SHARES”) OF BHAVIK ENTERPRISES LIMITED (“OUR COMPANY” OR “BEL” OR “THE ISSUER”) AT AN OFFER PRICE OF ₹ 140/- PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹ 7,700.00 LAKHS COMPRISING OF FRESH OFFER OF 45,00,000 EQUITY SHARES AGGREGATING TO ₹ 6,300.00 LAKHS (“FRESH OFFER”) AND AN OFFER FOR SALE OF 10,00,000 EQUITY SHARES BY ALL PROMOTERS (“SELLING SHAREHOLDERS”) AGGREGATING TO ₹ 1,400.00 LAKHS (“OFFER FOR SALE”) (“PUBLIC OFFER”). THE OFFER INCLUDES A RESERVATION OF 2,80,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN OFFER PRICE OF ₹ 140/- PER EQUITY SHARE FOR CASH, AGGREGATING ₹ 392.00 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC OFFER LESS MARKET MAKER RESERVATION PORTION I.E. NET OFFER OF UP TO 52,20,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH, AT AN OFFER PRICE OF ₹ 140/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ 7,308.00 LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. THE PUBLIC OFFER AND NET OFFER WILL CONSTITUTE 27.02% AND 25.64%, RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH AND THE OFFER PRICE IS 14.00 TIMES OF THE FACE VALUE

In terms of Rule 19(2)(b)(i) of the SCRR this Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. This Offer is being made through Fixed Price process in accordance and compliance with Chapter IX and other applicable provisions of SEBI ICDR Regulations wherein a minimum 50% of the Net Offer is allocated for Individual Investors who applies for minimum application size and the balance shall be offered to individual applicants other than Individual Investors who applies more than minimum application size and other investors including corporate bodies or institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIIs and vice-versa subject to valid applications being received from them at or above the Offer Price. Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. All potential investors shall participate in the Offer only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the respective bank accounts and / or UPI IDs, in case of UPI Applicants, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to “Offer Procedure” beginning on page 285 of this Draft Prospectus. A copy will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013

RISK IN RELATION TO THE FIRST OFFER

This being the first public Offer of our Company, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹ 10/- each and the Offer Price is 14.00 times of face value per Equity Share. The Offer Price (determined and justified by our Company and Selling Shareholders in consultation with the Lead Manager, as stated under chapter titled “Basis for Offer Price” beginning on page 85 of this Draft Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares 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 Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 this Draft Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 28 of this Draft Prospectus.

ISSUER’S AND SELLING SHAREHOLDERS ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Selling Shareholders, severally and not jointly, accepts responsibility for and confirms only the statements expressly made by such Selling Shareholders in this Draft Prospectus solely in relation to itself and its respective portion of the Offered Shares, and assumes responsibility that such statements are true and correct in all material respects and not misleading in any material respect

LISTING

The Equity Shares Offered through this Draft Prospectus are proposed to be listed on SME Platform of the BSE (“BSE SME”). Our Company has received “In-Principle” approval from the BSE SME for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated [●]. For the purpose of the Offer, the Designated Stock Exchange shall be BSE.

LEAD MANAGER TO THE OFFER**REGISTRAR TO THE OFFER**

SMART HORIZON
CAPITAL ADVISORS PVT. LTD.

Bigshare Services Pvt. Ltd.

Smart Horizon Capital Advisors Private Limited
(Formerly known as Shreni Capital Advisors Private Limited)
B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai – 400066, Maharashtra, India.
Telephone: 022 – 28706822
E-mail: director@shcapl.com
Investors Grievance e-mail: investor@shcapl.com
Contact Person: Mr. Parth Shah
Website: www.shcapl.com
SEBI Registration Number: INM000013183

BIGSHARE SERVICES PRIVATE LIMITED
Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India
Tel: 022 - 6263 8200
E-mail: ipo@bigshareonline.com
Investor grievance e-mail: investor@bigshareonline.com
Website: www.bigshareonline.com
Contact Person: Mr. Asif Sayyed
SEBI Registration No.: INR000001385

OFFER PROGRAMME

OFFER OPENS ON: [●]

OFFER CLOSES ON: [●]

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Draft Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act, and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms not defined but used in the chapters titled “*Statement of Possible Tax Benefits*”, “*Restated Financial Statements*”, “*Outstanding Litigations and Material Developments*”, “*Key Industry Regulations and Policies*” and section titled “*Main Provisions of the Articles of Association*” page on 91, 192, 244, 160 and 309 respectively of this Draft Prospectus, shall have the meanings ascribed to such terms in the respective sections.

GENERAL TERMS

| Term | Description |
|---|---|
| Bhavik/ BEL/ The Company/ Our Company/ The Issuer/ Bhavik Enterprises Limited | Bhavik Enterprises Limited, a company incorporated in India under the Companies Act, 1956 having its Registered Office at Office No. 1105, 11th Floor, DLH Park, S V Road, Goregaon West, Malad West, Mumbai- 400064, Maharashtra, India. |
| “we”, “us” and “our” | Unless the context otherwise indicates or implies, refers to our Company |
| “you”, “your” or “yours” | Prospective investors in this Offer |

COMPANY RELATED TERMS

| Term | Description |
|--|--|
| AoA / Articles / Articles of Association | The Articles of Association of our Company, as amended from time to time. |
| Audit Committee | The Audit Committee of our Company, constituted on March 06, 2025 in accordance with Section 177 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| Auditors/ Statutory & Peer Review Auditors | The Statutory and Peer Review Auditors of our Company, currently being M/s M. Parashar & Co., Chartered Accountants, having its office located at office located at 326, 3 rd Floor, Laxmi Business Park, New Link Road, Andheri (West), Mumbai – 400053, Maharashtra, India. |
| Bankers to our Company | Bank of Baroda and HDFC Bank Limited |
| Board of Directors /the Board/ our Board | The Board of Directors of our Company, including all duly constituted Committees thereof. For further details of our Directors, please refer to section titled “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| Chairman / Chairperson | The Chairman / Chairperson of Board of Directors of our Company being Mr. Mukesh Natverlal Thakkar |
| Chief Financial Officer / CFO | The Chief Financial Officer of our Company being Mr. Anish Shah |
| CIN | Corporate Identification Number of our Company i.e U51900MH2008PLC186771 |
| Committee(s) | Duly constituted committee(s) of our Board of Directors, as described in “ <i>Our Management – Committees of the Board</i> ” on page 169. |
| Companies Act / Act | The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance officer of our Company being Mr. Nikhil D Bhatt |

| Term | Description |
|---|---|
| Corporate Social Responsibility Committee (CSR Committee) | The Corporate Social Responsibility Committee of our Company, constituted on March 06, 2025 in accordance with Section 135 of the Companies Act, 2013, as described in “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| DIN | Directors Identification Number |
| Director(s) / our Directors | The Director(s) of our Company, unless otherwise specified |
| Equity Shares | Equity Shares of our Company of Face Value of ₹10/- each fully paid-up |
| Equity Shareholders / Shareholders | Persons / entities holding Equity Share of our Company |
| Executive Directors | Executive Directors are the Managing Director & Whole Time Directors of our Company, unless otherwise specified. |
| Group Company | In terms of SEBI ICDR Regulations, the term “ <i>Group Company</i> ” includes companies (other than our Promoter and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, any other companies as considered material by our Board, in accordance with the Materiality Policy and as disclosed in chapter titled “ <i>Our Group Company</i> ” beginning on page 189 of this Draft Prospectus |
| Independent Director(s) | Independent Directors on the Board, and eligible to be appointed as an Independent Director under the provisions of Companies Act and SEBI LODR Regulations. For details of the Independent Directors, please refer to chapter titled “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| ISIN | International Securities Identification Number. In this case being INE18PB01017. |
| Key Management Personnel / KMP | Key Managerial Personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, together with the Key Managerial Personnel of our Company in terms of Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| Key Performance Indicators” or “KPIs” | Key financial and operational performance indicators of our Company, as included in “ <i>Basis for Offer Price</i> ” beginning on page 85. |
| Materiality Policy | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on March 06, 2025 in accordance with the requirements of the SEBI (ICDR) Regulations, 2018. |
| Managing Director/MD | The Managing Director of our Company being Mr. Bhavik Mukesh Thakkar |
| MOA / Memorandum of Association | The Memorandum of Association of our Company, as amended from time to time |
| Nomination and Remuneration Committee | The Nomination and Remuneration Committee of our Company, constituted on March 06, 2025 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus. |
| Non-Executive Director | A Director not being an Executive Director or is an Independent Director |
| NRIs / Non-Resident Indians | A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 |
| 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. |
| Promoter(s) | The Promoters of our Company being Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar. |
| Promoter Group | Includes such Persons and entities constituting our promoter group covered under Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <i>Our Promoters and Promoter Group</i> ” beginning on page 184 of this Draft Prospectus |
| Registered Office | The Registered Office of our Company Situated at office No. 1105, 11 th Floor, DLH Park, S V Road, Goregaon West, Malad West, Mumbai-400064, Maharashtra, India. |
| Restated Financial Statements | Restated Financial Statements of our Company for the period ended on December 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 (prepared in accordance with the Indian GAAP read with Section 133 of the Companies Act, 2013 and restated in accordance with requirements of Companies Act, 2013, as |

| Term | Description |
|---|--|
| | amended, the SEBI ICDR Regulations as amended and Guidance Note on “Reports in Company Prospectuses (Revised 2019) issued by ICAI, as amended) which comprises the restated summary statement of assets & liabilities, the restated summary statement of profit and loss and restated summary statement of cash flows along with all the schedules and notes thereto |
| Registrar of Companies / RoC | Registrar of Companies, Mumbai, situated at Ministry of Corporate Affairs, Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India. |
| Selling Shareholders/ Promoter Selling Shareholders | Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar |
| Senior Management Personnel | Senior Management Personnel of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as disclosed in the chapter titled “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus |
| Shareholders | Shareholders of our Company |
| Stock Exchange | Unless the context requires otherwise, refers to, BSE |
| Subscriber to MOA / Initial Promoters | Initial Subscriber to MOA & AOA being Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar, Ms. Purnima Mukesh Thakkar, Ms. Neha Bhavik Thakkar, Mr. Umesh Thakkar, Ms. Dhvani Mihir Tanna and Ms. Thakkar Vidhi |
| Stakeholders’ Relationship Committee | The Stakeholders’ Relationship Committee of our Company, constituted on March 06, 2025 in accordance with Section 178 of the Companies Act, 2013, the details of which are provided in “ <i>Our Management</i> ” beginning on page 169 of this Draft Prospectus. |
| Whole Time Director | The Whole Time Director of our company being Mr. Mukesh Natverlal Thakkar |

FINANCIAL AND OPERATIONAL KEY PERFORMANCE INDICATORS

| Key Financial Performance | Explanations |
|--------------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| PAT Margin | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business |
| Return on Equity | RoE provides how efficiently our Company generates profits from shareholders’ funds |
| Return on Capital Employed | Return on capital employed is a financial ratio that measures our company’s profitability in terms of all of its capital |
| Debt-Equity Ratio | Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers |
| Net Fixed Asset Turnover Ratio | Net Fixed Asset Turnover is an efficiency ratio that indicates how well or efficiently a business uses fixed assets to generate sales. |
| Current Ratio | The current ratio is a liquidity ratio that measures our company’s ability to pay short-term obligations or those due within one year |

OFFER RELATED TERMS

| Term | Description |
|---|---|
| Abridged Prospectus | Abridged Prospectus to be issued under SEBI ICDR Regulations and appended to the Application Forms |
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form |
| Allot / Allotment / Allotted / Allotment of Equity shares | Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Offer to the successful applicants, including transfer of the Equity Shares pursuant to the Offer for Sale to the successful applicants |

| Term | Description |
|---|--|
| Allotment Advice | A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allotment Date | Date on which the Allotment is made |
| Allottees | The successful applicant to whom the Equity Shares are being / have been allotted |
| Applicant / Investor | Any prospective investor who makes an application for Equity Shares in terms of this Draft Prospectus. All the applicants should make application through ASBA only |
| Application Amount | The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Draft Prospectus |
| Application lot | 1,000 Equity Shares and in multiples thereof |
| Application Supported by Blocked Amount / ASBA | An application, whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by UPI applicants using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by UPI applicants using UPI Mechanism. |
| ASBA Account | A bank account maintained by ASBA Applicant with an SCSB and specified in the ASBA Form submitted by such ASBA Applicant in which funds will be blocked by such SCSB to the extent of the amount specified in the ASBA Form submitted by such ASBA Applicant and includes a bank account maintained by a UPI Applicant linked to a UPI ID, which will be blocked by the SCSB upon acceptance of the UPI Mandate Request in relation to an Application by a UPI Applicant |
| ASBA Applicant(s) | Any prospective investors in the Offer who intend to submit the Application through the ASBA process |
| ASBA Application / Application | An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus |
| ASBA Form | An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus |
| Banker(s) to the Offer | Collectively, being the Public Offer Bank and Sponsor Bank and in this case being [●] |
| Banker(s) to the Offer and Sponsor Bank Agreement | Agreement dated [●], entered into between our Company, Selling Shareholders, Lead Manager, the Registrar to the Offer, Banker to the Offer and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof |
| Basis of Allotment | The basis on which the Equity Shares will be Allotted, described in “Offer Procedure” on page 285 of this Draft Prospectus. |
| Bidding Centres | The Centres at which the Designated Intermediaries shall accept the ASBA Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Broker Centres | Broker Centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchange (www.bseindia.com) |
| BSE SME | SME Platform of BSE for listing of equity shares offered under Chapter IX of the SEBI ICDR Regulations |
| Business Day | Monday to Friday (except public holidays). |
| CAN / Confirmation of Allocation Note | The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange |
| Client ID | Client identification number maintained with one of the Depositories in relation to Demat account |
| Collecting Depository Participant(s) or CDP(s) | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular No. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time |
| D&B India | Dun & Bradstreet Information Services India Private Limited |

| Term | Description |
|--|--|
| D&B Report | The Industry Report titled “Indian Petrochemical Industry” dated December 24, 2024 prepared and issued by Dun & Bradstreet Information Services India Private Limited (“D&B India”), exclusively commissioned and paid for by us in connection with the Offer. D&B India is an independent agency which has no relationship with our Company, our Promoter and any of our Directors or KMPs or SMPs |
| Demographic Details | The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable) |
| Depository / Depositories | A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL. |
| Designated CDP Locations | Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of UPI applicants only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the website of the Stock Exchange (www.bseindia.com) |
| Designated Date | The date on which relevant amounts are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of UPI applicants 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 Offer Account or the Refund Account, as the case may be, in Equity Shares will be Allotted in the Offer |
| Designated Intermediaries / Collecting Agent | In relation to ASBA Forms submitted by UPI Applicants authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Applicants where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Applicant 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 NIIs (not using the UPI Mechanism), Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. |
| Designated Market Maker | Shreni Shares 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 |
| Designated RTA Locations | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange (www.bseindia.com) |
| Designated SCSB Branches | Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/ Recognized-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Designated Stock Exchange | BSE SME |
| Draft Prospectus | This Draft Prospectus issued in accordance with the SEBI ICDR Regulations which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto. |
| Eligible FPI(s) | FPI(s) that are eligible to participate in the Offer in terms of applicable law and from such jurisdictions outside India where it is not unlawful to make an offer / invitation under the Offer and in relation to whom the Application Form and the Prospectus constitutes an invitation to purchase the Equity Shares |
| Eligible NRI(s) | An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Offer or invitation under this Offer and in relation to whom the Application Form and the Prospectus will constitute an invitation to purchase the equity shares. |
| Escrow Account(s) | Account(s) to be opened with the Escrow Collection Bank(s) will transfer money through NACH/ direct credit/ NEFT/ RTGS in respect of the Application Amount when submitting an Applicant. |

| Term | Description |
|--|--|
| First Applicant | Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Applications, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Fresh Offer | Fresh Offer of 45,00,000 Equity Shares of face value ₹10 each for cash at a price of ₹140/- per Equity Shares aggregating ₹6,300.00 lakhs by our Company as part of this Offer, in terms of the Prospectus |
| Fresh Offer Proceeds | The proceeds of the Fresh Offer as stipulated by the Company. For further information about use of the Fresh Offer Proceeds please see the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 78 of this Draft Prospectus |
| General Information Document or GID | The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time issued. The General Information Document is available on the websites of the Stock Exchange and the LM |
| Individual Applicant(s) or Individual Investor(s) or II(s) | Investors applying for Minimum application size which shall be two lots per application, such that the minimum application size shall be above ₹2 lakhs. (including HUFs applying through their Karta) and Eligible NRIs. |
| LM / Lead Manager | Lead Manager to the Offer, in this case being Smart Horizon Capital Advisors Private Limited (<i>Formerly Known as Shreni Capital Advisors Private Limited</i>) |
| Listing Agreement | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and BSE |
| Lot Size | The Market lot and Trading lot for the Equity Share is 1,000 and in multiples of 1,000 thereafter; subject to a minimum allotment of 1,000 Equity Shares to the successful applicants |
| Market Maker Reservation Portion | The Reserved portion of 2,80,000 Equity shares of ₹10/- each at an Offer Price of ₹140/- aggregating to ₹392.00 Lakhs for Designated Market Maker in the Public Offer of our Company |
| Market Making Agreement | The Agreement among the Market Maker, the Lead Manager, our Company and Selling Shareholders dated March 21, 2025 |
| Mobile App(s) | The mobile applications listed on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be updated from time to time, which may be used by UPI applicants to submit Applications using the UPI Mechanism. The mobile applications which may be used by UPI applicants to submit Applications using the UPI Mechanism as provided under ‘Annexure A’ for the SEBI number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 |
| Monitoring Agency | [●], being a credit rating agency registered with SEBI |
| Mutual Fund | A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended |
| Net Offer | The Net Offer (excluding the Market Maker Reservation Portion) of 52,20,000 equity Shares of ₹10.00 each at a price of ₹140/- per Equity Share (the “Offer Price”), including a share premium of ₹130/- per equity share aggregating to ₹7,308.00 Lakhs. |
| Net Proceeds | The Gross Proceeds from the Offer less the Offer related expenses in relation to the Fresh Offer. For further details regarding the use of the Net Proceeds and the Offer expenses, see “ <i>Objects of the Offer</i> ” beginning on page 78 of this Draft Prospectus |
| Non – Institutional Investor (NIIs) | All Investors including FPIs that are not Qualified Institutional Buyers or Individual Investors who applies for minimum application size and who have Applied for Equity Shares for a cumulative amount more than ₹200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Resident / NR | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI |
| OCB / Overseas Corporate Body | Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Offer |
| Offer | This Initial Public Offer of 55,00,000 Equity Shares for cash at an Offer Price of ₹140/- per Equity Share aggregating to ₹7,700 Lakhs comprising of Fresh Offer of 45,00,000 Equity Shares for cash at an Offer Price of ₹140/- per Equity Share aggregating to ₹6,300 Lakhs by our Company and |

| Term | Description |
|--|---|
| | Offer for sale of 10,00,000 Equity Shares for cash at an Offer Price of ₹140/- per Equity Share aggregating to ₹1,400 Lakhs by the Selling Shareholders |
| Offer Agreement | The agreement dated March 21, 2025, entered amongst our Company, the Selling Shareholders and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Offer |
| Offer Closing date | The date on which the Offer closes for subscription being [●] |
| Offer Opening date | The date on which the Offer opens for subscription being [●] |
| Offer Period | The period between the Offer Opening Date and the Offer Closing Date inclusive of both days and during which prospective Applicants can submit their applications inclusive of any revision thereof. Provided however that the applications shall be kept open for a minimum of three (3) Working Days for all categories of applicants. Our Company and Selling Shareholders in consultation with the Lead Manager, may decide to close applications by QIBs one (1) day prior to the Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Offer Opening Date was published |
| Offer Price | The final price at which Equity Shares will be Allotted to the successful Applicants, as determined in accordance with the Fixed Price Method and determined by our Company and Selling Shareholders, in consultation with the LM in terms of the Prospectus |
| Offer Proceeds | The proceeds of the Fresh Offer which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders |
| Offered Shares | Shall mean the Equity Shares offered by the Selling Shareholders in the Offer by way of Offer for Sale |
| Offer for Sale | An offer for sale of 10,00,000 Equity Shares aggregating ₹1,400.00 Lakhs by the Selling Shareholders as part of this Offer, in terms of the Prospectus |
| Person / Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires |
| Prospectus | The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer opening and closing dates and other information |
| Public Offer Account | The 'no-lien' and 'non-interest bearing' account to be opened, in accordance with Section 40(3) of the Companies Act, with the Public Offer Bank to receive monies from the ASBA Accounts on the Designated Date |
| Public Offer Bank | The banks which are a clearing member and registered with SEBI as a banker to an offer, and with whom the Public Offer Account for collection of Application Amounts from ASBA Accounts will be opened, in this case being [●] |
| Qualified Institutional Buyers / QIBs | Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations |
| Registered Brokers | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure applications |
| Registrar Agreement | The agreement dated March 21, 2025 entered into between our Company, the Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer |
| Registrar and Share Transfer Agents/RTAs | Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registrar / Registrar to the Offer | Registrar to the Offer being Bigshare Services Private Limited. |
| Reserved Category/ Categories | Categories of persons eligible for making application under reservation portion. |
| Revision Form | Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Applicants and Non-Institutional Investors are not allowed to withdraw or lower their applications (in terms of quantity |

| Term | Description |
|--|--|
| | of Equity Shares or the Application Amount) at any stage. Individual Investors who applies for minimum application size can revise their application during the Offer Period or withdraw their applications until Offer Closing Date |
| SCORES | SEBI Complaints Redress System, a centralized web-based complaints redressal system launched by SEBIs |
| Self-Certified Syndicate Bank(s) / SCSBs | <p>The banks registered with SEBI, offering services, (i) in relation to ASBA (other than through UPI Mechanism), a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or such other website as updated from time to time, and (ii) in relation to ASBA through the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.</p> <p>In relation to applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and updated from time to time.</p> <p>In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI applicants using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43 respectively, as updated from time to time</p> |
| Share Escrow Agent | Share Escrow Agent appointed pursuant to the Share Escrow Agreement, in this case being, [●] |
| Share Escrow Agreement | Share Escrow Agreement dated [●] entered into amongst the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees |
| Specified Locations | Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UP |
| Sponsor Bank | A Banker to the Offer which is registered with SEBI and is eligible to act as a Sponsor Bank in a public Offer in terms of applicable SEBI requirements and has been appointed by the Company and Selling Shareholders, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of UPI applicants as per the UPI Mechanism, in this case being [●]. |
| Systemically Important Non-Banking Financial Company | Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations |
| TRS / Transaction Registration Slip | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application |
| Underwriters | The LM who has underwritten this Offer pursuant to the provisions of the SEBI (ICDR) Regulations and the Securities and Exchange Board of India (Underwriters) Regulations, 1993, as amended from time to time. The Underwriters in this case are Smart Horizon Capital Advisors Private Limited. |
| Underwriting Agreement | The Agreement among the Underwriter, our Company and Selling Shareholders dated March 21, 2025 |
| Unified Payments Interface / UPI | 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 person's bank accounts using a payment address which uniquely identifies a person's bank Account. |
| UPI Applicants | Collectively, individual investors applying as (i) Individual Investors in the individual Investor Portion, and (ii) Non-Institutional Investors with an application size of up to ₹5.00 lakhs on in the |

| Term | Description |
|---|---|
| | Non-Institutional Portion, and applying under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5.00 lakhs million using UPI Mechanism, shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity) |
| 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 number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and the circular issued by BSE Limited having reference no. 20220803-40 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI) |
| UPI Mandate Request | A request (intimating the Individual Investors by way of a notification on the Application and by way of a SMS directing the Individual Investors to such UPI Application) to the Individual Investors initiated by the Sponsor Bank to authorise blocking of funds on the Application equivalent to Application Amount and subsequent debit of funds in case of Allotment. |
| UPI mechanism | Process for applications by UPI Applicants submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars |
| UPI PIN | Password to authenticate UPI transaction |
| U.S. Securities Act | U.S. Securities Act of 1933, as amended |
| Wilful Defaulter or Fraudulent Borrower | Wilful defaulter or a fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations |
| Working Day | Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price; and (ii) Offer Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars |

INDUSTRY/BUSINESS RELATED TERMS/ ABBREVIATIONS

| Term | Description |
|-------------|---|
| AGM | Annual general meeting of shareholders under the Companies Act 2013 |
| ATF | Aviation Turbine Fuel |
| B2B | Business-to-business |

| Term | Description |
|----------------|---|
| BCD | Basic Customs Duty |
| B/E | Bill of Entry |
| BIS | Bureau of Indian Standards |
| B/L | Bill of Lading |
| BOPP | Biaxially Oriented Polypropylene |
| CAGR | Compound Annual Growth Rate |
| CBIC | Central Board of Indirect Taxes and Customs |
| CHA | Custom House Agent |
| COVID-19 | Coronavirus disease 2019 |
| CPI | Consumer Price Index |
| CPP | Cast Polypropylene |
| CVD | Countervailing Duty |
| CY | Current Year |
| DGFT | Directorate General of Foreign Trade |
| ECB | European Central bank |
| ECLGS | Emergency Credit Link Guarantee Scheme |
| EFTA | European Free Trade Association |
| EPE | Expanded Polyethylene |
| ESI | Employee State Insurance |
| Est., Adv. Est | Estimated, Advance Estimates |
| ETA | Estimated Date of Arrival |
| ETD | Estimated Date of Shipment |
| FDI | Foreign Direct Investment |
| FMCG | Fast Moving Consumer Goods |
| FPIs | Foreign Portfolio Investors |
| FTP | Foreign Trade Policy |
| GDP | Gross Domestic Product |
| GFCF | Gross fixed capital formation |
| GFSR | Global Financial Stability Report |
| GST | Goods and Service Tax |
| GSPC | Gujarat State Petrochemicals Corporation |
| GVA | Gross Value Added |
| HDPE | High Density Polyethylene |
| HSD | High-Speed Diesel |
| IT | Information Technology |
| IEC | Import Export Code |
| IIP | Index of Industrial Production |
| IMF | International Monetary Fund |
| INR | Indian National Rupees |
| IOC | Indian Oil Corporation |
| ISO | International Organization for Standardization |
| JNPT | Jawaharlal Nehru Port Trust |
| KG | Krishna Godavari |
| LDO | Light Diesel Oil |
| LDPE | Low-Density Polyethylene |
| LLDPE | Linear Low – Density Polyethylene |
| M3 | Cubic Meter |
| MFR | Melt Flow Rate |
| MLLDPE | Metallocene Linear Low-Density Polyethylene |
| MMT | Million Metric Tones |
| Mn, Bn, Tn, Cr | Million, Billion, Trillion, Crore |
| M-O-M | Month on Month |
| MOSPI | The Ministry of Statistics and Programme Implementation |
| MRL | Madras Refineries Limited |
| MS | Motor Spirit |
| MT | Metric Tons |
| NDA | National Democratic Alliance |
| N/N | Non-Negotiable |

| Term | Description |
|-------------|--|
| NOCIL | National Organic Chemical Industries |
| NSO | National Statistics Office |
| OIL | Oil India Limited |
| PE | Polyethylene |
| P, F | Projected, Forecast |
| PFCE | Private Final Consumption Expenditure |
| PLI | Production Linked Incentive |
| PNGRB | Petroleum and Natural Gas Regulatory Board |
| PP | Polypropylene |
| PPCP | Polypropylene Copolymer |
| PPE | Produce Polyphenylene Ether |
| PS | Polystyrene |
| PSUs | Public Sector Undertakings |
| PV | Passenger Vehicles |
| PVC | Polyvinyl Chloride |
| RBI | Reserve Bank of India |
| RCP | Random Co-polymer |
| RIL | Reliance Industries Limited |
| SAD | Special Additional Duty |
| UPI | Unified Payments Interface |
| U.S. | United States |
| USD | US Dollar |
| WPI | Wholesale Price Index |
| WTO | World Trade Organization |
| Y-O-Y | Year on Year |

CONVENTIONAL TERMS / ABBREVIATIONS

| Term | Description |
|--|--|
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AIF | Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations |
| AS / Accounting Standards | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| Banking Regulation Act | Banking Regulation Act, 1949 |
| BN | Billion |
| BSE | BSE Limited |
| CAGR | Compound Annual Growth Rate |
| CARO | Companies (Auditor's Report) Order, 2016, as amended |
| Category I Alternate Investment Fund / Category I AIF | AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations |
| Category I foreign portfolio investor(s) / Category I FPIs | FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations |
| Category II Alternate Investment Fund / Category II AIF | AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations |
| Category II foreign portfolio investor(s) / Category II FPIs | FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations |

| Term | Description |
|--|--|
| Category III Alternate Investment Fund /Category III AIF | AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations |
| Category III foreign portfolio investor(s) / Category III FPIs | FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations |
| CDSL | Central Depository Services (India) Limited |
| CFPI | Consumer Food Price Index |
| CFO | Chief Financial Officer |
| CGST Act | Central Goods and Services Tax Act, 2017 |
| CIBIL | Credit Information Bureau (India) Limited |
| CIN | Company Identification Number |
| CIT | Commissioner of Income Tax |
| Client ID | Client identification number of the Applicant’s beneficiary account |
| Companies Act | Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification |
| Companies Act, 1956 | The Companies Act, 1956, as amended from time to time |
| Companies Act, 2013 | The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date |
| CSR | Corporate Social Responsibility |
| CST | Central Sales Tax |
| COVID – 19 | A public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020 |
| CPI | Consumer Price Index |
| CY | Calendar Year |
| Depositories | A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, CDSL and NSDL |
| DPIIT | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India |
| Depositories Act | Depositories Act, 1996 |
| DIN | Director Identification Number |
| DP | Depository Participant, as defined under the Depositories Act 1996 |
| DP ID | Depository Participant’s identification |
| EBITDA | Earnings before Interest, Taxes, Depreciation and Amortization |
| ECS | Electronic Clearing System |
| EGM/ EOGM | Extra-ordinary General Meeting |
| EMDEs | Emerging Markets and Developing Economies |
| EPS | Earnings Per Share |
| EPFO | Employees’ Provident Fund Organization |
| EPF Act | The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952 |
| ESIC | Employee State Insurance Corporation |
| ESOP | Employee Stock Option Plan |
| EXIM/ EXIM Policy | Export – Import Policy |
| ESPS | Employee Stock Purchase Scheme |
| FCNR Account | Foreign Currency Non-Resident Account |
| FIPB | Foreign Investment Promotion Board |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| FEMA Regulations | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 |
| FIIIs | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |

| Term | Description |
|------------------------------|---|
| FPIs | Foreign Portfolio Investors as defined under the SEBI FPI Regulations |
| FTP | Foreign Trade Policy |
| Fugitive Economic Offender | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 |
| FVCI | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations |
| FY / Fiscal / Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |
| GOI / Government | Government of India |
| GST | Goods & Services Tax |
| HNIs | High Net worth Individuals |
| HUF | Hindu Undivided Family |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| IAS Rules | Indian Accounting Standards, Rules 2015 |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| IGST Act | Integrated Goods and Services Tax Act, 2017 |
| IMF | International Monetary Fund |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Ind AS | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 |
| IPO | Initial Public Offer |
| IRDAI Investment Regulations | Insurance Regulatory and Development Authority (Investment) Regulations, 2016 |
| ISO | International Organization for Standardization |
| IST | Indian Standard Time |
| KM / Km / km | Kilo Meter |
| KMP | Key Managerial Personnel |
| KPI | Key Performance Indicators |
| Ltd | Limited |
| LM | Lead Manager |
| MCA | Ministry of Corporate Affairs, Government of India |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended |
| MoF | Ministry of Finance, Government of India |
| MICR | Magnetic Ink Character Recognition |
| MOU | Memorandum of Understanding |
| MWA Rules | Maharashtra Minimum Wages Rules |
| Mutual Funds | Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| NA / N. A. | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value |
| NBFC | Non-Banking Financial Company |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NOC | No Objection Certificate |
| NPCI | National Payments Corporation of India |
| NRE Account | Non-Resident External Account |
| NRO Account | Non-Resident Ordinary Account |
| NRIs | Non-Resident Indians |
| NECS | National Electronic Clearing Service |
| NSDL | National Securities Depository Limited |

| Term | Description |
|-----------------------|---|
| NSE | National Stock Exchange of India Limited |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PLI Act | Public Liability Insurance Act |
| PLR | Prime Lending Rate |
| PMI | Purchasing Managers' Index |
| PPP | Purchasing power parity |
| RBI | Reserve Bank of India |
| Regulation S | Regulation S under the U.S. Securities Act |
| RoC | Registrar of Companies |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Rupees / Rs. / ₹ | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| SCRA | Securities Contract (Regulation) Act, 1956, as amended from time to time |
| SCRR | Securities Contracts (Regulation) Rules, 1957, as amended from time to time |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended |
| SEBI FII Regulations | Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended |
| SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended |
| SEBI MB Regulations | Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended |
| SEBI PIT Regulations | Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended |
| SEBI SAST Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended |
| Sec. | Section |
| Securities Act | U.S. Securities Act of 1933, as amended |
| SGST Act | State Goods and Services Tax Act, 2017 |
| SICA | Sick Industrial Companies (Special Provisions) Act, 1985 |
| STT | Securities Transaction Tax |
| TIN | Taxpayers Identification Number |
| TDS | Tax Deducted at Source |
| UGST Act | Union Territory Goods and Services Tax Act, 2017 |
| UPI | Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account. |
| US/ United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| VAT | Value Added Tax |
| VC | Venture Capital |

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

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

Notwithstanding the foregoing, terms in “Description of Equity Shares and Terms of the Articles of Association”, “Statement of Possible Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Financial Information of our Company”, “Outstanding Litigations and Material Developments” and “Offer Procedure”, will have the meaning ascribed to such terms in these respective sections.

PRESENTATION OF FINANCIAL INDUSTRY AND MARKET DATA

CERTAIN CONVENTIONS

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

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

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

Unless stated otherwise, all references to page numbers in this Draft Prospectus are to the page numbers of this Draft Prospectus. In this Draft Prospectus, our Company has presented numerical information in "lakhs" units. One lakh represents 1,00,000.

FINANCIAL DATA

Unless stated otherwise, the financial statements in this Draft Prospectus are derived from our Restated Financial Statements. The Restated Financial Statements comprises of the restated statement of assets and liabilities for the period ended on December 31, 2024 and for financial years ended March 31, 2024, March 31, 2023, March 31, 2022 and the restated statement of profit and loss, the restated statement of cash flows for the period ended on December 31, 2024 and for financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the summary of significant accounting policies and explanatory notes, prepared in terms of the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended; the SEBI ICDR Regulations, as amended and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time. For further information, see please refer section titled "*Restated Financial Statements*" beginning on page 192 of this Draft Prospectus.

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

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

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

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 28, 130 and 232 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the "*Restated Financial statements*" of our Company as beginning on page 192 of this Draft Prospectus.

CURRENCY AND UNITS OF PRESENTATION

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

All references to the word "Lakh" or "Lac", means "One hundred thousand" and the word "Million" means "Ten Lakhs" and the word "Crore" means "Ten Million" and the word "Billion" means "One thousand Million".

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

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

EXCHANGE RATES

This Draft Prospectus contains conversions of certain other currency amounts into Rupees that have been presented solely to comply with the requirements of SEBI ICDR Regulations. Such conversion should not be considered as a representation that such currency amounts have been, could have been or can be converted into Rupees at any particular rate or at all.

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

| Currency | Exchange Rate as on December 31, 2024 | Exchange Rate as on March 31, 2024 | Exchange Rate as on March 31, 2023 | Exchange Rate as on March 31, 2022 |
|----------|---------------------------------------|------------------------------------|------------------------------------|------------------------------------|
| 1 USD | 85.62 | 83.37 | 82.22 | 75.81 |
| 1 Euro | 89.08 | 90.22 | 89.61 | 84.66 |

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

Source: <https://www.rbi.org.in/scripts/referenceratearchive.aspx>

DEFINITIONS

For definitions, please refer the chapter titled “*Definitions and Abbreviations*” beginning on page 1 of this Draft Prospectus. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 309 of this Draft Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

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

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

FORWARD LOOKING STATEMENTS

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

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

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

- We derive our revenue from trading of polymers for which we are dependent on certain suppliers for our operations and an increase in the cost of, or a shortfall in the availability or quality of such products could have an adverse effect on our business, financial condition and results of operations;
- Termination or non-renewal of the distribution agreements by Borouge Pte Ltd. or any material modification to the existing terms under such agreements adverse to our interest will materially and adversely affect our ability to continue our business and operations and our future financial performance
- Our ability to successfully implement our growth strategy and expansion plans;
- We derive our revenue from the domestic market and substantial portion of revenue from the western region of India i.e. Gujarat Maharashtra, Rajasthan and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Any adverse developments affecting our operations in western region could have an adverse impact on our revenue and results of operations;
- Any disruption at the ports in western region of India may adversely affect our business and operational performance
- Our ability to attract and retain personnel;
- Restrictions on import may adversely impact our business, cash flows and results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;

- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

For further discussions of factors that could cause our actual results to differ, please refer the section titled “*Risk Factors*” and chapter titled “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 28, 130 and 232 of this Draft Prospectus, respectively. By their nature, certain market risk disclosures are only estimating and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

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

Forward-looking statements reflect the current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on 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. Neither our Company, our directors, 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 the SEBI ICDR Regulations, our Company, will ensure that the applicants in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Equity Shares pursuant to the Offer.

SECTION II - SUMMARY OF OFFER DOCUMENT

The following is a general summary of certain disclosures included in this Draft Prospectus and is neither exhaustive, nor purports to contain a summary of all the disclosures in this Draft Prospectus or the Prospectus, when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Our Promoters and Promoter Group", "Restated Financial Information", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Outstanding Litigation and Material Developments", "Offer Procedure" and "Main Provisions of The Articles Of Association" on pages 28, 54, 67, 78, 96, 102, 184, 192, 232, 244, 285 and 309, respectively.

SUMMARY OF OUR BUSINESS

Incorporated on September 15, 2008, we are engaged in trading of polymers primarily in Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries such as packaging, infrastructure, agriculture and many more. We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base. Our comprehensive product portfolio under Polyethylene (PE) includes LLDPE, LDPE, HDPE and MLLDPE. Under Polypropylene (PP), our product portfolio consists of Homo polymer, Impact Co-polymer and Random Co-polymer. Our company's business model emphasizes "Stock & Sale" catering to small, medium and large customers as per their requirement. We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacturer of plastic product. These end use customers include manufacturers of pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP films, liners, EPE foam, woven sack bags, spun bond nonwoven fabric, paint pails, crates, houseware products, suitcases, thin wall containers.

For more details, please refer chapter titled "Our Business" beginning on page 102 of this Draft Prospectus.

SUMMARY OF OUR INDUSTRY

The polymers Industry plays a pivotal role in India's economic landscape, contributing significantly to various sectors such as packaging, construction, automotive, and consumer goods. The industry has been characterized by continuous innovation and technological advancements, driving the development of new and improved polymer materials with enhanced properties and functionalities.

For more details, please refer chapter titled "Industry Overview" beginning on page 96 of this Draft Prospectus.

OUR PROMOTERS

The promoters of our company are Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar.

For further details, see "Our Promoters and Promoter Group" beginning on page 184.

BOARD OF DIRECTORS

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

| Name | Designation |
|-------------------------------------|-------------------------------------|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole Time Director |
| Mr. Bhavik Mukesh Thakkar | Managing Director |
| Ms. Purnima Mukesh Thakkar | Executive Director |
| Ms. Jency Vinod Kumar Gowadia | Non- Executive Independent Director |
| Mr. Manishkumar Anjanikumar Dhanuka | Non- Executive Independent Director |
| Mr. Jayesh Jaysinh Kapadia | Non- Executive Independent Director |

For detailed profile of our Board of Directors, please see chapter titled "Our Management" beginning on page 169 of this Draft Prospectus.

KEY MANAGERIAL PERSONNEL (KMP)

| Name | Designation |
|------------------------------|--|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole Time Director |
| Mr. Bhavik Mukesh Thakkar | Managing Director |
| Mr. Anish Shah | Chief Financial Officer |
| Mr. Nikhil D. Bhatt | Company Secretary and Compliance Officer |

For detailed profile of our Key Managerial Personnel, please see chapter titled “Our Management” beginning on page 169 of this Draft Prospectus.

SIZE OF OFFER

The following table summarizes the details of the Offer. For further details, see “The Offer” and “Offer Structure” beginning on pages 54 and 282, respectively.

| | |
|--|---|
| Present Offer of Equity Shares by our Company⁽¹⁾ | 55,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹140/- per Equity Share including a premium of 130/- per Equity Share) aggregating to ₹7,700.00 Lakhs |
| The Offer consists of: | |
| Fresh Offer | 45,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹140/- per Equity Share aggregating ₹6,300.00 Lakhs |
| Offer for Sale⁽²⁾ | 10,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹140/- per Equity Share aggregating ₹1,400.00 Lakhs |
| Of which: | |
| Market Maker Reservation Portion | 2,80,000 Equity shares of face value of ₹10/- each for cash at a price of ₹140/- per Equity shares aggregating to ₹392.00 Lakhs |
| Net Offer | 52,20,000 Equity shares of face value of ₹10/- each for cash at a price of ₹140/- per Equity shares aggregating to ₹7,308.00 Lakhs |

(1) The Present Offer including the Fresh Offer has been authorized by our Board pursuant to resolutions passed at its meetings held on March 03, 2025 and by our Shareholders pursuant to a special resolution passed at their meetings held on March 05, 2025.

(2) The Selling Shareholders have confirmed and authorized its participation in the offer for sale in relation to the offered Shares. The Selling Shareholders confirm that the offered shares have been held by it for a period of at least one year prior to the filing of this Draft Prospectus with BSE SME in accordance with Regulation 8 of the SEBI ICDR Regulations or are otherwise eligible for being offered for sale in the offer in accordance with the provisions of the SEBI ICDR Regulations. For details on the authorization and consent of the selling shareholders in relation to the offered shares, see “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 54 and 259, respectively.

OBJECTS OF THE OFFER

This Offer comprises of Fresh Offer of 45,00,000 Equity Shares by our Company aggregating to ₹6,300.00 Lakhs and an Offer for Sale of 10,00,000 Equity Shares by the Selling Shareholders. Our Company will not receive any proceeds received from the Offer for Sale by the Selling Shareholders. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale.

(₹ in Lakhs)

| Sr. No | Particulars | Amount |
|--------|---|----------|
| 1. | Funding working capital requirements of our company | 4,750.00 |
| 2. | General corporate purposes# | ● * |
| | Total | ● * |

The amount to be utilised for general corporate purposes will not exceed fifteen percent of the amount being raised by our Company or ₹ 10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025.

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

For further details, please refer to chapter titled “Objects of the Offer” beginning on page 78 of this Draft Prospectus.

PRE-OFFER SHAREHOLDING OF OUR PROMOTERS, PROMOTER GROUP AND THE SELLING SHAREHOLDERS AS A PERCENTAGE OF THE PAID-UP SHARE CAPITAL OF THE COMPANY

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

| Category | Pre-Offer | |
|---|--------------------|------------------------|
| | No. of Shares | % of pre-offer Capital |
| Promoters and Selling Shareholders | | |
| Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% |
| Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% |
| Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% |
| Promoter Group | | |
| Ms. Neha Bhavik Thakkar | 3 | Negligible |
| Mr. Umesh Thakkar | 73,500 | 0.46% |
| Ms. Dhvani Mihir Tanna | 3 | Negligible |
| Total | 1,58,58,006 | 99.99% |

SHAREHOLDING PATTERN OF PROMOTERS / PROMOTER GROUP AND ADDITIONAL TOP 10 SHAREHOLDERS OF THE COMPANY AS AT ALLOTMENT:

| S. No. | Pre-Offer shareholding | | | Post-Offer shareholding as at Allotment | |
|---|------------------------------|-------------------------|----------------------|---|----------------------|
| | Shareholders | Number of Equity Shares | Share holding (in %) | Number of Equity Shares | Share holding (in %) |
| Promoters | | | | | |
| 1. | Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% | [●] | [●] |
| 2. | Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% | [●] | [●] |
| 3. | Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% | [●] | [●] |
| Promoter Group | | | | | |
| 4. | Ms. Neha Bhavik Thakkar | 3 | Negligible | [●] | [●] |
| 5. | Mr. Umesh Thakkar | 73,500 | 0.46% | [●] | [●] |
| 6. | Ms. Dhvani Mihir Tanna | 3 | Negligible | [●] | [●] |
| Top 10 Shareholders ⁽¹⁾ | | | | | |
| 7. | Ms. Thakkar Vidhi | 3 | Negligible | [●] | [●] |
| | Total | 1,58,58,009 | 100.00% | [●] | [●] |

Notes:

- As on the date of this Draft Prospectus, we have total 7 (seven) shareholders, out of which only 1 is Public Shareholder
- To be updated in Prospectus.

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The details are as follows:

(₹ in lakhs other than share data)

| Particulars | For the Period ended on December 31, 2024 | For the year ended March 31 | | |
|--|---|-----------------------------|-----------|-----------|
| | | 2024 | 2023 | 2022 |
| Equity Share capital | 528.60 | 528.60 | 528.60 | 528.60 |
| Net worth [#] | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Total Revenue [§] | 39,053.96 | 50,034.76 | 49,108.22 | 28,752.48 |
| Restated profit/(loss) after tax | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Earnings per share (Basic & diluted) (₹) [@] | 2.58 | 4.98 | 9.81 | 4.26 |
| Net Asset Value per Equity Share (Post Bonus) (₹) [*] | 60.80 | 58.23 | 53.25 | 43.44 |
| Total borrowings [^] | - | - | - | - |

[#]Net Worth = Restated Equity Share Capital plus Restated Reserves & Surplus

$\$Total\ Revenue = Restated\ Revenue\ from\ operations\ plus\ Restated\ Other\ Income$

$@\ Earnings\ per\ share\ (Basic\ \&\ diluted) = Restated\ profit\ after\ tax\ for\ the\ period\ divided\ by\ Restated\ weighted\ average\ number\ of\ Equity\ Shares\ outstanding\ during\ the\ period$

$*Net\ Asset\ Value\ per\ Equity\ Share = Restated\ Net\ worth\ divided\ by\ Restated\ weighted\ average\ number\ of\ Equity\ Shares\ outstanding\ during\ the\ period$

$^Total\ Borrowings = Restated\ Long-Term\ Borrowings\ plus\ Restated\ Short\ Term\ Borrowings$

QUALIFICATIONS OF AUDITORS

There are no qualifications included by the Statutory Auditors in their audit reports and hence no effect is required to be given in the Restated Financial Information.

SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS

A summary of pending legal proceedings and other material litigations involving our Company, our Promoters, our Directors and our Group Company as on the date of this Draft Prospectus is provided below:

| Name of Entity | Criminal Proceedings | Tax Proceedings | Statutory or Regulatory Proceedings | Disciplinary actions by the SEBI or Stock Exchanges against our Promoters | Material Civil Litigations | Aggregate amount involved (₹ in Lakhs) |
|----------------------------|----------------------|-----------------|-------------------------------------|---|----------------------------|--|
| Company | | | | | | |
| By the Company | NA | NA | NA | NA | NA | NA |
| Against the Company | NA | 5 | NA | NA | NA | 715.83 |
| Directors/KMPs/SMPs | | | | | | |
| By our Directors | NA | NA | NA | NA | NA | NA |
| Against the Directors | NA | 1 | NA | NA | NA | 13.49 |
| Promoters* | | | | | | |
| By Promoters | NA | NA | NA | NA | NA | NA |
| Against Promoters | NA | 10 | NA | NA | NA | 40.08 |
| Group Company | | | | | | |
| By Group Company | NA | NA | NA | NA | NA | NA |
| Against Group Company | NA | NA | NA | NA | NA | NA |

*Our Promoters are also the director of the Company. Hence litigations against them have not been included under the heading of director to avoid repetition.

Brief details of top 5 Criminal Case against our Promoters:

| Sr. No. | Particulars | Litigation filed by | Current status | Amount involved |
|---------|-------------|---------------------|----------------|-----------------|
| 1. | NA | NA | NA | NA |

Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: NIL

Brief details of outstanding criminal proceedings against Promoters: NIL

For further details, please refer chapter titled “Outstanding Litigations and Material Developments” beginning on page 244 of this Draft Prospectus.

RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 28 of this Draft Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

The following is a summary table of our company's contingent liabilities as:

(₹ in Lakhs)

| Particulars | For the Period ended on December 31, 2024 | For the year ended March 31 | | |
|---|---|-----------------------------|--------|------|
| | | 2024 | 2023 | 2022 |
| Contingent liabilities in respect of: | | | | |
| Claims against the company not acknowledged as debt* | 370.31 | - | - | - |
| Guarantees | - | - | - | - |
| Other money for which the company is contingently liable (Forward Contract) | 295.93 | - | 582.63 | - |
| Total | | | | - |

*The following contingent liabilities have not been provided for in the books of accounts, as they are dependent on future events:

| Particulars | Amount (₹) | Status |
|---|-------------------|---|
| a) Income Tax demand for A.Y. 2020-21 pursuant to assessment order passed u/s 147 r.w.s. 144B of the Income Tax Act, 1961 dated March 06, 2025 (Order No. ITBA/AST/S/147/2024-25/1074122859(1)) making additions of ₹4,00,41,462/- to returned income | ₹3,70,31,440/- | Appeal filed on March 27, 2025 vide Acknowledgement No. 916874910270325 and is currently pending before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) |
| b) Penalty proceedings initiated u/s 274 r.w.s. 270A of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/270A/2024-25/1074122936(1)) | Not ascertainable | Proceedings pending as on date |
| c) Penalty proceedings initiated u/s 274 r.w.s. 271AAC(1) of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/271AAC(1)/2024-25/1074122938(1)) | Not ascertainable | Proceedings pending as on date |

Note: The outcome of the above matters is pending at the relevant authorities. The management, based on legal advice, believes that the final outcome is not likely to result in any material liability and hence, no provision has been made in accounts.

For details, please refer to Section titled "Restated Financial Information" beginning on page 192 of this Draft Prospectus.

SUMMARY OF RELATED PARTY TRANSACTIONS

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

List of Related Parties where Control exists and Relationships:

| Particulars | Names of related parties | Nature of Relationship |
|---|------------------------------|-------------------------------------|
| Key Management Personnel (KMP)/ Non Independent Director | Mr. Mukesh Natverlal Thakkar | Chairman cum Wholetime Director |
| | Mr. Bhavik Mukesh Thakkar | Managing Director |
| | Ms. Purnima Mukesh Thakkar | Executive Director |
| | Mr. Nikhil D. Bhatt | Company Secretary w.e.f. 01.04.2024 |
| | Mr. Anish Shah | CFO w.e.f. 15.02.2025 |
| Relatives of KMP | M/s. Mukesh K Thakkar HUF | |
| Enterprises in which KMP/Relatives of KMP can exercise significant influence | Griffon Securities Pvt. Ltd. | |

Transactions carried out with Related Party in ordinary course of business:

(₹ in Lakhs)

| Transactions with Related Parties | For the Period ended on December 31, 2024 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|--|---|-----------|-----------|-----------|
| Key management personnel/ Non Independent Director | | | | |
| 1. Mr. Mukesh Natverlal Thakkar | | | | |
| Managerial Remuneration | 36.00 | 42.00 | 42.00 | 42.00 |
| Rent paid | 5.40 | 7.20 | 7.20 | 7.20 |
| 2. Mr. Bhavik Mukesh Thakkar | | | | |
| Managerial Remuneration | 36.00 | 39.00 | 39.00 | 39.00 |
| Rent paid | 6.75 | 7.56 | 7.56 | 7.56 |
| 3. Ms. Purnima Mukesh Thakkar | | | | |
| Managerial Remuneration | 31.50 | 19.20 | 19.20 | 19.20 |
| Rent paid | 1.58 | 2.10 | 2.10 | 2.10 |
| 4. Mr. Nikhil D. Bhatt | | | | |
| Salary | 2.70 | - | - | - |
| Relatives of Key Management Personnel | | | | |
| 1. M/s. Mukesh K Thakkar HUF | | | | |
| Rent paid | 5.18 | 5.88 | 5.88 | 5.88 |
| Enterprises over which key management personnel is able to exercise significant influence | | | | |
| 1. Griffon Securities Pvt. Ltd. | | | | |
| Advance Against Property* | 400.00 | - | - | - |
| Rent Paid | 5.40 | 6.30 | 6.30 | 6.30 |

* The Company has given interest free advance to Griffon Securities Pvt. Ltd., as a consideration against 3 properties (Registration agreement under process).

Amounts outstanding with related parties:

| Particulars | For the Period ended on December 31, 2024 | 31-Mar-24 | 31-Mar-23 | 31-Mar-22 |
|--|---|-----------|-----------|-----------|
| Enterprises over which key management personnel is able to exercise significant influence | | | | |
| Griffon Securities Pvt. Ltd. | | | | |
| Advances against Property | 733.38 | 333.38 | 333.38 | 333.38 |
| Rent Payable | - | - | - | - |

The percentage of Related Party Transaction is as follows:

(₹ in Lakhs)

| Year | Total Expenditure for RPT (A) | Total Revenue of Operations(B) | % Share (A/B) |
|-------------------|-------------------------------|--------------------------------|---------------|
| December 31, 2024 | 130.50 | 38,629.90 | 0.34% |
| March 31, 2024 | 129.24 | 49,412.37 | 0.26% |
| March 31, 2023 | 129.24 | 48,726.56 | 0.27% |
| March 31, 2022 | 129.24 | 28,376.36 | 0.46% |

As certified by our Auditors, by way of their certificate dated April 17, 2025.

For details, please refer to chapter titled "Restated Financial Information" beginning on page 192 of this Draft Prospectus.

FINANCING ARRANGEMENTS

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

WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WERE ACQUIRED BY OUR PROMOTERS AND THE SELLING SHAREHOLDERS

The weighted average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders in the last One (1) year preceding the date of this Draft Prospectus set forth in the table below:

| Name of Promoters and Selling Shareholders | No. of Equity Shares acquired in last one (1) year | Weighted Average cost of Acquisition (in ₹) * |
|--|--|---|
| Mr. Mukesh Natverlal Thakkar | 30,16,000 | Nil |
| Mr. Bhavik Mukesh Thakkar | 16,51,000 | Nil |
| Ms. Purnima Mukesh Thakkar | 60,56,000 | Nil |

The weighted average cost of acquisition of Equity Shares by our Promoters/ Selling shareholders has been calculated by taking into account the amount paid by them to acquire and Shares allotted to them divided by number of shares acquired in last one (1) year.

**As certified by our Auditors, by way of their certificate dated April 12, 2025.*

AVERAGE COST OF ACQUISITION OF PROMOTERS, PROMOTER GROUP AND SELLING SHAREHOLDERS

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

| Name of Promoters and Selling Shareholders | No. of Equity Shares held | Average cost of Acquisition (in ₹)* |
|--|---------------------------|-------------------------------------|
| Mr. Mukesh Natverlal Thakkar | 42,24,000 | 2.86 |
| Mr. Bhavik Mukesh Thakkar | 24,76,500 | 3.33 |
| Ms. Purnima Mukesh Thakkar | 90,84,000 | 3.33 |
| Name of Promoter Group | | |
| Ms. Neha Bhavik Thakkar | 3 | 3.33 |
| Mr. Umesh Thakkar | 73,500 | 30.54 |
| Ms. Dhvani Mihir Tanna | 3 | 3.33 |

**As certified by our Auditors, by way of their certificate dated April 12, 2025.*

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

WEIGHTED AVERAGE COST OF ACQUISITION OF ALL SHARES TRANSACTED IN (I) LAST ONE (1) YEAR; (II) LAST EIGHTEEN (18) MONTHS; AND (III) LAST THREE (3) YEARS PRECEDING THE DATE OF THIS DRAFT PROSPECTUS

| Period | Weighted average cost of acquisition (in ₹) * | Offer Price is 'X' times the Weighted Average Cost of Acquisition |
|---|---|---|
| Last one (1) year preceding the date of this Draft Prospectus | Nil | NA |
| Last eighteen (18) months preceding the date of this Draft Prospectus | Nil | NA |
| Last three (3) years preceding the date of this Draft Prospectus | Nil | NA |

**As certified by our Auditors, by way of their certificate dated April 12, 2025.*

For further details, see “*Capital Structure*” on page 67.

DETAILS OF PRE-IPO PLACEMENT

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

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

Except for the Bonus Issue of 1,05,72,006 Equity Shares as mentioned below, our company has not issued Equity Shares for consideration other than cash in the one (1) year preceding the date of this Draft Prospectus.

| Date of Allotment | No. of Equity Shares | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company | Allotees | No. of Shares Allotted |
|--------------------------|-----------------------------|-----------------------|------------------------|-----------------------------|--------------------------------------|------------------------------|-------------------------------|
| January 31, 2025 | 1,05,72,006 | 10/- | - | Bonus Issue | Capitalization of Reserves & Surplus | Mr. Mukesh Natverlal Thakkar | 28,16,000 |
| | | | | | | Mr. Bhavik Mukesh Thakkar | 16,51,000 |
| | | | | | | Ms. Purnima Mukesh Thakkar | 60,56,000 |
| | | | | | | Ms. Neha Bhavik Thakkar | 2 |
| | | | | | | Mr. Umesh Thakkar | 49,000 |
| | | | | | | Ms. Dhvani Mihir Tanna | 2 |
| | | | | | | Ms. Thakkar Vidhi | 2 |

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not undertaken consolidation of the Equity Shares in the one year preceding the date of this Draft Prospectus.

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

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

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of financial risk. Investors should carefully consider all information in this Draft Prospectus, including the risks described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Draft Prospectus. The risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future and may also impair 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, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own or dispose of the Equity Shares. This section addresses general risks associated with the industry in which we operate and specific risks associated with our Company. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Prospectus, could have a material adverse effect on our business and could cause the trading price of our Equity Shares to decline and you may lose all or part of your investment.

This Draft Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus. See chapter titled “Forward Looking Statements” beginning on page 18 of this Draft Prospectus.

To obtain a better understanding of our business, you should read this chapter in conjunction with other chapters of this Draft Prospectus, including the chapters titled “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Industry Overview” and “Restated Financial Statements” on page 102, 232, 96 and 192 respectively of this Draft Prospectus, together with all other Restated Financial Statements contained in this Draft Prospectus. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Prospectus.

Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “Industry Report on Indian Petrochemical Industry (With Focus on Polymers)” dated December 24, 2024 (“the D&B Report”) prepared and released by Dun & Bradstreet Information Services India Private Limited (“Dun & Bradstreet”) appointed by us on and exclusively commissioned and paid for by us in connection with the Offer. A copy of the D&B Report is available on the website of our Company at www.bhavikenterprises.com/investor-relations. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our directors or KMPs or SMPs. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant financial year.

Unless specified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks mentioned below. Any potential investor in the Equity Shares should pay particular attention to the fact that we are subject to a regulatory environment in India which may differ significantly from that in other jurisdictions. In making an investment decision, prospective investors must rely on their own examinations of us and the terms of the Offer, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences to them of an investment in our Equity Shares. The manner of calculation and presentation of some of the operational and financial performance metrics, and the assumptions and estimates used in such calculations, may vary from that used by other companies in India and other jurisdictions. Unless otherwise stated, the financial data in this chapter is derived from our Restated Financial Statements for the period ended on December 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 as included in “Restated Financial Statements” beginning on page 192 of this Draft Prospectus.

MATERIALITY

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

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

INTERNAL RISKS

1. ***We derive our revenue from trading of polymers for which we are dependent on certain suppliers for our operations and an increase in the cost of, or a shortfall in the availability or quality of such products could have an adverse effect on our business, financial condition and results of operations.***

Our business is significantly affected by the availability of polymer grades, cost and quality of the products. We are engaged in trading of polymers primarily in Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries such as packaging, infrastructure and agriculture. We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacture of finished plastic product. We are dependent on overseas suppliers for purchase of polymers. The prices and supply of these products depend on factors beyond our control, including any delays, shortages, risk of price fluctuation as suppliers may unilaterally decide to change the prices of its products which could impact our cost structure and profit margins, limited negotiation power, general economic conditions, competition, transportation costs and duties etc. Further, the customer acceptance of our products depends on the quality of products delivered by these suppliers. If, for any reason, our suppliers of products should curtail or discontinue their delivery of such materials to us in the quantities we need or at prices that are competitive or expected by us, our ability to meet the requirements of our customers could be impaired and our earnings and business could suffer. If we are unable to source products from key suppliers in a timely manner, our results of operations may be adversely impacted.

Our Company may face significant financial and operational risks in the event that our only dominant supplier, i.e., Borouge Pte Ltd decides to terminate our existing agreements. For the period ended December 31, 2024 and for the financial years ended March 31, 2024, 2023 and 2022, our purchases from Borouge Pte Ltd accounted for 79.91%, 85.35%, 86.71% and 67.14%, respectively of the total purchases. Such discontinuation will lead to increased costs for procuring products from any other alternative suppliers. The notice period required to be given by either party for any termination of the agreements is 3(three) months and in any such case, we will be required to identify other suppliers considering the price, margins, quality and other business factors. Any such instances will adversely impact our overall performance and profitability.

As on date, there are other suppliers in the market who also provide products that meets our quality standards. However, we have not yet identified or made any alternative arrangements with any other alternative suppliers in the market. There can be no assurance that we would be able to source required quantities or qualities of products in a cost-effective manner in future periods. Any such instances may lead to a halt in our business process resulting in missed deadlines and dissatisfied customers and will lead to financial losses and adverse effect on our reputation in the market. The table below outlines the purchases made from our top one (1), top five (5) and top ten (10) suppliers during the period ended December 31, 2024 and for the fiscal years 2024, 2023, and 2022, including their respective percentage of total purchases:

(₹ in lakhs, except for percentage)

| Particulars | | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|---------------|----|---|--------|-------------|--------|-------------|--------|-------------|--------|
| | | Purchases# | % | Purchases# | % | Purchases# | % | Purchases# | % |
| Top Supplier | 1 | 30,244.48 | 79.91% | 36,899.67 | 85.35% | 37,069.08 | 86.71% | 16,693.80 | 67.14% |
| Top Suppliers | 5 | 37,807.21 | 99.90% | 43,152.87 | 99.82% | 42,557.68 | 99.55% | 24,578.37 | 98.85% |
| Top Suppliers | 10 | 37,846.80 | 100% | 43,219.60 | 99.97% | 42,709.08 | 99.90% | 24,801.60 | 99.74% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Purchases are excluding GST.

We usually do not enter into long-term supply contracts with any of our products suppliers and typically source products from these suppliers on monthly basis. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of products that we require, which may reduce our profit margins. We face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure products or products from alternate suppliers in a timely manner, or on commercially acceptable terms, may adversely affect our business, financial condition

and results of operations. While we have not experienced any interruptions in the supply of products in the period ended December 31, 2024, and in the past three Fiscals, we cannot assure you that such instance will not arise in the future.

2. **Termination or non-renewal of the distribution agreements by Borouge Pte Ltd. or any material modification to the existing terms under such agreements adverse to our interest will materially and adversely affect our ability to continue our business and operations and our future financial performance.**

We are appointed as authorized distributor of Borouge Pte Ltd pursuant distributor agreement dated September 01, 2023 with Borouge Pte Ltd to market and sell “Borouge” products in India. This does not restrict Borouge from direct dealings with customers or from appointing third parties to distribute the products in the territory. The said agreement is valid and effective for a term of three years unless cancelled by the respective parties. Borouge Pte Ltd has imposed few terms and condition in the said agreement, inter alia (i)if our Company does not pay any sum payable within fifteen (15) days of the due date or as determined and accepted by Borouge Pte Ltd. (ii)if the distributor company fails in any two successive quarters to meet the minimum performance targets for those quarters set out in business plan by Borouge Pte Ltd. In the event of any breach of this condition, Borouge may terminate the distribution agreement at any time by serving notice to our Company. Further, Borouge Pte Ltd may undertake the distribution or sale of its products and brands either themselves or appoint other third-party distributor for India once agreements entered with us are terminated. In the event that Borouge Pte Ltd exercises their right to terminate these agreements whether on the occurrence of any breach which we are not able to cure within the said thirty (30) days or the remedy is not satisfactory to Borouge Pte Ltd or otherwise, or in the event imposes terms less favourable to us than existing terms, it may materially and adversely affect our ability to carry on our business operations and our future financial performance.

3. **We derive our revenue from the domestic market and substantial portion of revenue from the western region of India and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Any adverse developments affecting our operations in western region could have an adverse impact on our revenue and results of operations.**

Currently we are supplying products in various states of India includes Gujarat, Maharashtra, Rajasthan, Diu-Daman, Uttar Pradesh, Telangana, Chhattisgarh, Madhya Pradesh, Haryana. Majority of our sales is derived from Western Region of India i.e. Gujarat Maharashtra, Rajasthan and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. The following table sets forth a breakdown of our revenues from domestic market, in absolute terms and as a percentage of total revenue from operations, for the periods indicated:

(₹ in lakhs except for percentages)

| State | For the period ended on December 31, 2024 | | FY 2023-24 | | FY 2022-2023 | | FY 2021-22 | |
|----------------|---|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % |
| Gujarat | 17,465.16 | 45.21% | 21,440.00 | 43.39% | 19,374.64 | 39.76% | 12,402.49 | 43.71% |
| Maharashtra | 10,606.41 | 27.46% | 11,202.06 | 22.67% | 11,001.18 | 22.58% | 4,754.19 | 16.75% |
| Rajasthan | 2,425.00 | 6.28% | 4,415.34 | 8.94% | 5,796.36 | 11.90% | 2,429.97 | 8.56% |
| Diu Daman | 3,978.74 | 10.30% | 4,882.70 | 9.88% | 5,178.02 | 10.63% | 5,241.59 | 18.47% |
| Uttar Pradesh | 642.34 | 1.66% | 1,679.15 | 3.40% | 3,136.20 | 6.44% | 969.77 | 3.42% |
| Telangana | 778.75 | 2.02% | 2,015.47 | 4.08% | 1,594.81 | 3.27% | 1,061.64 | 3.74% |
| Chhattisgarh | 1,339.41 | 3.47% | 1,408.22 | 2.85% | 786.14 | 1.61% | 390.74 | 1.38% |
| Madhya Pradesh | 637.54 | 1.65% | 740.16 | 1.50% | 476.55 | 0.98% | 289.77 | 1.02% |
| Delhi | 151.45 | 0.39% | 339.63 | 0.69% | 159.05 | 0.33% | 315.08 | 1.11% |
| Haryana | 194.43 | 0.50% | 88.23 | 0.18% | 328.43 | 0.67% | 239.48 | 0.84% |
| Others | 410.66 | 1.06% | 1,201.43 | 2.43% | 895.19 | 1.84% | 281.65 | 0.99% |
| Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we

enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, relevant government authorities or are in a stronger financial position than us, all of which may give them a competitive advantage over us.

We intend to expand our global presence and driving growth in domestic markets revolves around strengthening our existing operations and entering new regions. We focus on leveraging our understanding of the polymers industry to identify emerging opportunities worldwide. Domestically, we aim to increase our market share by improving product offers and expanding our distribution footprint. This includes optimizing supply chains, and meeting the growing demand for polymers across India. However, we cannot assure you that we will be able to successfully expand our global presence and untapped domestic markets. Our expansion plans may subject us to various risks such as our financial condition, changes in business strategy and external factors such as market conditions, competitive environment and interest or exchange rate fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected. While we have not faced any instances of difficulties to grow our business in additional geographic regions that led to any adverse effect on our business or operations in the period ended December 31, 2024, and in Fiscals 2022, 2023 and 2024, there can be no assurance that such instances will not occur in the future.

4. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.

A summary of outstanding matters set out below includes details of civil and criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving us, Directors, Promoters, Group Company, KMP & SMP as at the date of this Draft Prospectus:

Cases against our Company:

| Nature of Cases | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints | -- | -- |
| Statutory/ Regulatory Authorities | -- | -- |
| Taxation Matters | 5 | 715.83 |
| Other Litigation | -- | -- |

Cases against our Director and / or Promoters

| Nature of Cases | No of Outstanding Cases | Amount involved (In Lakhs) |
|-----------------------------------|-------------------------|----------------------------|
| Criminal Complaints | -- | -- |
| Statutory/ Regulatory Authorities | -- | -- |
| Taxation Matters | 11 | 53.57 |
| Other Litigation | -- | -- |

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. If any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase our expenses and current liabilities.

We cannot assure you that any of the outstanding litigation matters will be settled in our favour or that no additional liabilities will arise out of these proceedings. In addition to the above, we could also be adversely affected by complaints, claims or legal actions brought by persons, including before consumer forums or sector-specific or other regulatory authorities in the ordinary course of business or otherwise, in relation to our business operations, our intellectual property, our branding or marketing efforts or campaigns or our policies. We may also be subject to legal action by our employees and/or former employees in relation to alleged grievances, such as termination of employment. We cannot assure you that such complaints, claims or requests for information will not result in investigations, enquiries or legal actions by any regulatory authority or third persons against us.

For further details of certain material legal proceedings involving our Company, our Promoters, our directors and our group company see “*Outstanding Litigations and Material Developments*” beginning on page 244 of this Draft Prospectus.

5. There is an increased awareness towards controlling plastic pollution and many economies including India have joined in the efforts to ban certain types of plastic products. In case any key plastic material traded by us or end-use consumer

product that is packaged using raw material of our supplier is banned in India, it could have a material and adverse effect on our business, financial condition, cash flows and results of operations.

There is growing awareness and regulatory momentum worldwide, including in India, toward reducing plastic pollution. Many governments are implementing policies and regulations aimed at limiting or banning specific types of plastic products, particularly single-use plastics, as part of broader environmental and sustainability initiatives. Certain types of plastics such as microplastics take many years to decompose and may be dangerous for living beings. In recent times, environmental rules and regulations restrict the use of certain types of plastic products such as single use plastic items, which have low utility and high littering potential, and encourage the exploration of alternative materials like bio-based and biodegradable options, as well as reusable and refillable packaging models. Any development regulating the sale or use of plastic or plastic products could lead to an adverse effect on our business, financial condition, cash flows and results of operations. While there have not been any significant changes in regulatory regime in the period ended December 31, 2024, and each of the last three Fiscals, we cannot assure you that there will not be any changes in future which will not adversely impact our business and results of operations.

6. Prices fluctuate every day in line with market changes. However, during periods of sharp price increases, there may be a lag before these adjustments take effect, which could negatively impact our profitability in the interim duration. This exposure to price volatility may result in reduced margins and affect our short-term financial performance.

Our financial performance is directly impacted by fluctuations in our product (polymers) prices, However, during periods of sharp price increases, there may be a delay in implementing these adjustments, exposing us to the risk of higher costs without immediate recovery. This delay could compress our profit margins and adversely affect our financial results in the interim duration. In times of volatile or sustained increases in raw material prices, this exposure to cost volatility is magnified. The lag in passing these cost increases to our customers could result in a material reduction in our operating margins, especially if prices rise more quickly or steeply than anticipated. Extended periods of high raw material prices, coupled with delayed price recovery, could strain our cash flows and limit our ability to absorb these added costs without eroding profitability. Moreover, our ability to effectively pass on these cost increases depends on market conditions, customer relationships, and competitive dynamics. If our competitors manage price fluctuations more efficiently or absorb these costs without passing them onto customers, we may face further risks to our pricing power and customer retention. This competitive pressure could hinder our ability to maintain profitable margins or secure favourable pricing terms, especially if customers resist frequent price adjustments. Accordingly, our exposure to raw material price volatility, compounded by delays in cost recovery, could have an adverse impact on our profitability and cash flows, potentially impacting our short-term financial performance and operational resilience.

7. Restrictions on import may adversely impact our business, cash flows and results of operations.

We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacture of finished plastic product. During the stub period ended on December 31, 2024 and Fiscal 2024, 2023 and 2022 the import purchases accounted for 99.61%, 99.60%, 98.54% and 96.91% of total purchases in the respective years. The import is regulated by the various regulatory requirements, which empowers the relevant authority to undertake any measures that it deems fit. Such measures include denying approval for import of such products. There can be no assurance that such regulations will not become more stringent in the future, which could potentially restrict our ability to import from other jurisdictions. Historically, we have been major dependent on import from UAE (United Arab Emirates).

Further if antidumping duty levied on any of our suppliers, it will adversely affect our business. Currently, our top suppliers do not face any antidumping threat from Govt of India. However, in future, if any additional duties like anti-dumping duty are levied, it will make the products more expensive. Suppliers may change the focus from India to other regions and offer less material to Indian territory. All these factors will affect our business growth.

While our imports from such jurisdictions are not currently subject to any regulatory ban or restriction, there can be no assurance that such regulations will not evolve into more stringent regulations, which would place onerous requirements on us and consequently restrict our ability to import. While we have not in the past experienced any significant challenge in importing products, there can be no assurance that we will not experience any such challenges in the future.

8. Any disruption at the ports in western region of India may adversely affect our business and operational performance.

For import of polymers, port logistics plays a crucial role. Our import activities are concentrated on one or more ports in India. Currently, our Company imports its products at Indian ports, including Hazira Port, NhavaSheva (JNPT) and Mundra Port. Our company operates 12 depots and 12 warehouses, strategically located across the Western Region of India i.e. Gujarat, Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Any disruption caused on these ports due to weather-related problems, strikes, lock-outs, or other events could impair the ability

to procure polymers products on time and an increase in shipment cost could materially and adversely affect our business, financial condition and results of operations. In addition, goods may be lost or damaged in transit for various reasons including the occurrence of accidents or natural disasters. Any such inability may result in loss of sales opportunities that our competitors may capitalize on, thereby adversely affecting our business, financial condition, results of operations, and cash flows. Further geographical concentration of our warehouses and storage capacity in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations.

9. Inventories and trade receivables form a major part of our current assets. Failure to manage our inventory and trade receivables could have an adverse effect on our sales, profitability, cash flow and liquidity.

Our Company's business is working capital intensive and hence, inventories and trade receivables form a major part of our current assets. The results of operations of our business are dependent on our ability to effectively manage our inventory and trade receivables. To effectively manage our inventory, we must be able to accurately estimate customer demand / potential orders and supply requirements and purchase new inventory accordingly. However, if we misjudge expected customer demand/ potential orders, it could cause either a shortage of products or an accumulation of excess inventory. During the period ended December 31, 2024, and for the financial year March 31, 2024, 2023 and 2022 our inventories were ₹ 6,821.99 Lakhs, ₹ 2,798.75 Lakhs, ₹ 4,449.23 Lakhs and ₹ 2,585.92 Lakhs accounted for 44.72%, 21.86%, 29.90% and 22.78%, respectively of the total current assets. To effectively manage our trade receivables, we must be able to accurately evaluate the credit worthiness of our customers and ensure that suitable terms and conditions are given to them in order to ensure our continued relationship with them. However, if we fail to accurately evaluate the credit worthiness of our customers, it may lead to bad debts, delays in recoveries and / or write-offs which could lead to a liquidity crunch, thereby adversely affecting our business and results of operations. During the period ended December 31, 2024, and for the financial year March 31, 2024, 2023 and 2022 our trade receivables were ₹ 5,737.05 Lakhs, ₹ 3,465.52 Lakhs, ₹ 4,157.22 Lakhs and ₹ 3,735.23 Lakhs accounted for 37.61%, 27.07%, 27.94% and 32.91%, respectively of the total current assets.

10. Our Company had negative cash flows in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

As per our Restated Financial Statements, our cash flows from operating, investing and financing activities are as set out below:

(₹ in Lakhs)

| Particulars | For the Period ended on | | For the Financial Year ended on | |
|---|-------------------------|----------------|---------------------------------|----------------|
| | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Net Cash Generated/(Used) from Operating Activities | (4,273.75) | (276.74) | 1,435.80 | 51.06 |
| Net Cash Generated/(Used) from Investing Activities | (195.64) | 265.50 | (146.11) | 151.33 |
| Net Cash Generated/(Used) from Financing Activities | (0.11) | (2.51) | (0.68) | (0.37) |

For further details and reasons of such negative cash flow, please see chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 232 of this Draft Prospectus.

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 our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

11. We are exposed to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations.

We generally extend a credit period to our customers, which exposes us to credit risk. We are subject to counterparty credit risk and a significant delay in receiving large payments or non-receipt of large payments may adversely impact our results of operations. Our operations involve extending credit to our customers in respect of sale of our products and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. The table below outlines specific details regarding our trade receivables and average trade receivable turnover days for the indicated year/period:

(₹ in Lakhs)

| Particulars | For the Period ended on | For the Financial Year ended on | | |
|--|-------------------------|---------------------------------|----------------|----------------|
| | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Trade Receivables | 5,737.05 | 3,465.52 | 4,157.22 | 3,735.23 |
| Average Trade Receivable Turnover Days | 33 | 28 | 30 | 43 |

A customer's ability to make timely payments depends on various factors, including general economic conditions and their cash flow situation, which are beyond our control. Delays in receiving payments from customers could negatively impact our cash flow and hinder our ability to meet working capital requirements. There is no guarantee that our customers will pay us promptly or at all, which may affect the recoverability of our trade receivables. Additionally, we may struggle to manage any bad debt resulting from delayed payments.

Taking legal action against our customers to enforce their contractual obligations can be challenging, and there is no guarantee that we will receive a favorable judgment or that it will be issued in a timely manner. If any of our customers fail to fulfil their contractual commitments, or if they face insolvency or liquidation, it could negatively impact on our financial condition and results of operations.

12. We require working capital for our smooth day-to-day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favourable terms may have an adverse effect on our operations, profitability and growth prospects.

Our business demands working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects. We intend to continue growing by expanding our business operations. This may result in increase in the quantum of our current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations.

All below mentioned factors collectively creates an environment that can lead to substantial changes in the company's working capital cycle and its overall working capital requirements. Key elements influencing this cycle include inventory management, receivables, and payables, each of which can be significantly impacted by fluctuations in demand & supply.

- **Plant Shutdown:** Petrochemical refineries are highly capital extensive units with immense technical know-how require for production. Technological advancements with complex machineries become essential to maintain quality as well as to innovate new products. This requires periodic shutdown of anywhere between 15 days to 2 months every year. To serve the customers regularly, we have to stock excess inventory for those months. Failure to do so can result in customers moving away to competitors' product.
- **Unplanned Plant Shutdown:** There are instances when there is an outage in plant or some mechanical failure resulting in unplanned plant shutdown of petrochemical refineries. Keeping inventory just for a short time assuming uninterrupted supply can lead to severe backlash from customers. Thus, we have to manage and keep buffer stock too.
- **Delay in Shipment:** Many times, it happens that material is not shipped because of non-availability of vessel. This results in material not arriving on time. If we take orders from customers basis assumption of shipments coming on time will led supply disruption. Customers will not only be dissatisfied but also our efficiency in serving customers gets affected. Thus, excess inventory needs to be maintained.
- **Operational Challenges:** Our company operates in the trading sector, importing polymers from international suppliers on CIF (cost, insurance and freight) basis. The imported goods are typically shipped to India, with an average shipment transit time of 10-15 days. Our payments to creditors are 45-60 days from bill of lading whereas our payment terms to customers is 30-40 days on an average. Being the authorized distributor and to serve the consumers consistently, we need to maintain average inventory of 30-35 days. As a result, there exists a significant working capital gap that we must bridge to maintain smooth operations and ensure liquidity.

Our Company's composition of working capital as on December 31, 2024 and as at March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of audited financial statements and expected working capital requirements for Fiscal 2025 (unaudited figures) and Fiscal 2026 are as set out in the table below:

(₹ in Lakhs)

| Particulars | 2021-22 | 2022-23 | 2023-24 | December 31, 2024 | 2024-25 | 2025-26 |
|--------------------------------------|-----------------|-----------------|-----------------|----------------------|------------------|------------------|
| | Audited | Audited | Audited | Audited | Unaudited | Estimated |
| Current assets | | | | | | |
| Inventories | 2,585.91 | 4,449.23 | 2,798.75 | 6,821.99 | 6,200.74 | 10,600.00 |
| Trade Receivables | 3,643.54 | 4,077.83 | 3,401.68 | 5,737.05 | 6,024.34 | 10,000.00 |
| Short Term Loans & Advances | 164.62 | 109.90 | 352.78 | 1,050.03 | 300.00 | 350.00 |
| Other Current Assets | 30.36 | 41.58 | 77.57 | 6.63 | 15.00 | 25.00 |
| Total Current Assets (I) | 6,424.43 | 8,678.54 | 6,630.78 | 13,615.70 | 12,540.11 | 20,975.00 |
| | | | | | | |
| Current Liabilities | | | | | | |
| Trade Payables | 4,771.32 | 6,955.70 | 4,047.34 | 6,740.37 | 6,942.05 | 10,028.22 |
| Other Current Liabilities | 44.89 | 112.10 | 246.42 | 51.20 | 675.28 | 885.00 |
| Short Term Provisions | 928.23 | 589.14 | 336.09 | 37.61 | 446.80 | 500.00 |
| Current Liabilities (II) | 5,744.44 | 7,656.94 | 4,629.85 | 6,829.19 | 8,064.13 | 11,413.22 |
| | | | | | | |
| Total WC Gap (III)=[(I)-(II)] | 679.99 | 1,021.60 | 2,000.93 | 6786.51 | 4,475.98 | 9,561.78 |
| | | | | | | |
| ST Borrowings | - | - | - | - | - | - |
| IPO Fund | - | - | - | - | - | 4,750.00 |
| Internal accrual | 679.99 | 1,021.60 | 2,000.93 | 6786.51 | 4,475.98 | 4,811.78 |

For further details regarding working capital requirement, please refer to the chapter titled “Objects of the Offer” beginning on page 78 of this Draft Prospectus.

13. *We do not own some of the premises from where we operate. Our warehouses and depots are not owned by us and are taken on rental basis. If we are unable to renew existing rental agreements or relocate our operations on commercially reasonable terms, there may be a material adverse effect on our business, financial condition, results of operations and cash flows could be adversely affected.*

Our warehouses and depots are not owned by us are taken on rental basis. For further details, see “Our Business- Property” beginning on page 102 of this Draft Prospectus. Some of our business premises, are located on rental/leased premises, and we do not own any of these premises. These premises are essential for our day-to-day operations, and any disruption in their availability could impact our business activities. In the event the existing rent/lease arrangements are not renewed or are terminated, we may be required to vacate these premises, which could adversely affect our operation unless we arrange for similar premises on favorable terms.

If we are unable to renew certain or all of these rental agreements on commercially reasonable terms or at all and we cannot relocate our offices in a timely manner, we may suffer a disruption in our operations, and our results of operations, financial condition and cash flows may be materially and adversely affected. Further, 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 offices 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.

14. *Our Company is subject to foreign exchange control regulations which can pose a risk of currency fluctuation.*

Our Company is dependent on third party suppliers for procuring the traded goods. We are exposed to fluctuations in the prices of these traded goods as well as their unavailability. We may be unable to control the factors affecting the price at which we procure the materials. We also face the risks associated with compensating for or passing on such increase in our cost of trades on account of such fluctuations in prices to our customers. Upward fluctuations in the prices of traded goods

may thereby affect our margins and profitability, resulting in a material adverse effect on our business, financial condition and results of operations.

Our Company is involved in business transactions with international suppliers and has to conduct the same in accordance with the rules and regulations prescribed under FEMA. Our Company may fail to adhere to the prescribed timelines and may be required to pay penalty to the appropriate authority or department to regularize the payment. In case we are unable to adhere to the timelines prescribed under the applicable laws or are unable to mitigate the risk of currency fluctuation, it may adversely affect our business, results of operations, financial conditions and cash flows.

- 15. We do not have long-term agreements for the sale of our products with a majority of our customers. If our customers choose not to source their requirements from us, or we are unable to procure new orders on a regular basis or at all, this may adversely affect our business, financial condition, results of operations and cash flows.**

We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacturer of finished plastic product. These end use customers include manufacturers of pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP Films, liners, EPE Foam, woven sack bags, spun bond non-woven fabric, paint pails, crates, houseware products, suitcases, thin wall containers. We depend on certain customers who have contributed a substantial portion of our total revenues. The table below outlines the revenue generated from our top ten (10), top twenty (20) and top thirty (30) customers during the period ended December 31, 2024 and for the fiscal years 2024, 2023, and 2022, including their respective percentage of total revenue from operations:

(₹ in lakhs)

| Particulars | December 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|------------------|--------------------------|--------|--------------------------|--------|--------------------------|--------|--------------------------|--------|
| | Revenue from Operations# | % |
| Top 10 Customer | 9,931.24 | 25.71% | 11,107.44 | 22.48% | 15,144.04 | 31.08% | 10,098.71 | 35.59% |
| Top 20 Customers | 14,646.95 | 37.92% | 17,352.53 | 35.12% | 22,162.93 | 45.48% | 13,989.22 | 49.30% |
| Top 30 Customers | 18,035.12 | 46.69% | 21,919.11 | 44.36% | 27,018.27 | 55.45% | 16,236.86 | 57.22% |

*As certified by our Auditors, by way of their certificate dated April 23, 2025.

The above figures are excluding GST.

Reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to renegotiate favourable terms with our key customers; the loss of these customers; all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to offer terms to such customers which we may place restraints on our resources. There is no guarantee that we will retain the business of our existing key customers or maintain the current level of business with each of these customers. Further if one or more of our customers were to become insolvent or otherwise unable to pay for the products supplied by us, this could have a have an impact on our business.

We currently do not have long-term agreements with our customers, relying instead on purchase orders to dictate sales terms and volumes. Maintaining strong relationships with our key customers is, therefore, essential to our business strategy and to the growth of our business. Some of these customers have been associated with us for the past three years. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs and therefore affect our profitability. Additionally, the loss of any key customer may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any loss of revenue from the loss of any of our top 10 customers. Further if we fail to acquire new consumers or fail to do so in a cost-effective manner, we may not be able to increase revenue or maintain profitability.

- 16. Any surplus supply from international petrochemical suppliers into the Indian market will put downward pressure on the prices of our products. Pricing pressure from customers may adversely affect our gross margin, profitability and ability to increase our prices.**

Indian polymer industry is going rapidly. With global macro-economic environment not conducive and GDP growth in other developed countries also not increasing, Indian market has a lot of business opportunity. Excess supply from other overseas petrochemical suppliers entering the Indian market can create significant pricing pressure on our products. With more suppliers offering similar products, there could be increased competition, which may force us to lower prices in order

to remain competitive. This could reduce our profit margins, making it harder to maintain the same level of revenue while still offering high-quality products. Moreover, if the demand in Indian market falls down due to any factors, the additional supply of imported goods will create more pricing pressure and will affect our margins.

Our customers often pursue price reduction initiatives with their suppliers including us. Adopting cost cutting measures may lead to a decrease in our margins, which may have a material adverse effect on our business, financial condition, results of operations and future prospects. Our customers typically negotiate for larger discounts in price as the volume of their orders increases. If we are unable to efficiently generate sufficient cost savings in the future to offset price reductions or if there is any reduction in consumer demand for consumer goods, our sales, gross margin and profitability may reduce, which may have a material adverse effect on our business, financial condition, results of operations and future prospects.

17. Our Company has entered into related party transactions in the past and may continue to enter into related party transactions in the future, which may potentially involve conflicts of interest with the equity shareholders.

Our Company have entered into certain related party transactions with our Promoters, members of the promoter group, Directors and our Group Company in the past which are in compliance with applicable provisions of Companies Act, 2013 and all other applicable laws. For details, please see “*Note 34 Restated Statement of Related Party Disclosures of Restated Financial Statements*” under the chapter titled “*Restated Financial Statements*” beginning on page 192 of this Draft Prospectus. While our Company believes that all such transactions have been conducted on the arm’s length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with unrelated parties. Further, it is likely that we may enter into related party transactions in the future and such transactions may potentially involve conflicts of interest. In terms of the Companies Act, 2013 and SEBI LODR Regulations, we are required to adhere to various compliance requirements such as obtaining prior approvals from our Audit Committee, Board and Shareholders for certain party transactions and our undertakes that such related party transactions shall not be done against the interests of the Company and its shareholders as prescribed in the SEBI LODR Regulations. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. below mentioned are the details with regards to % contribution to the total Revenue from Operation in relation to related party transactions:

(₹ In Lakhs)

| Year | Total Expenditure from RPT (A)# | Total Revenue of Operations(B) | % Share (A/B) |
|-------------------|---------------------------------|--------------------------------|---------------|
| December 31, 2024 | 130.50 | 38,629.90 | 0.34% |
| March 31, 2024 | 129.24 | 49,412.37 | 0.26% |
| March 31, 2023 | 129.24 | 48,726.56 | 0.27% |
| March 31, 2022 | 129.24 | 28,376.36 | 0.46% |

As certified by our Auditors, by way of their certificate dated April 17, 2025.

Absolute sum of transaction

Furthermore, it is likely that we may enter into related party transactions in the future. Any future transactions with our related parties could potentially involve conflicts of interest. Accordingly, there can be no assurance that such transactions, individually or in the aggregate, will not have a material adverse effect on our business, financial condition, cash flows, results of operations and prospects.

18. As of December 31, 2024, we had contingent liabilities which have not been provided for in our financial statements and could adversely affect our financial condition.

As of December 31, 2024, our contingent liabilities that have not been accounted for in the Restated Financial Information, were as follows:

(₹ in Lakhs)

| Particulars | For the Period ended on December 31, 2024 | For the year ended March 31 | | |
|---|---|-----------------------------|--------|------|
| | | 2024 | 2023 | 2022 |
| Contingent liabilities in respect of: | | | | |
| Claims against the company not acknowledged as debt* | 370.31 | - | - | - |
| Guarantees | - | - | - | - |
| Other money for which the company is contingently liable (Forward Contract) | 295.93 | - | 582.63 | - |
| Total | | | | - |

*The following contingent liabilities have not been provided for in the books of accounts, as they are dependent on future events:

| Particulars | Amount (₹) | Status |
|--|-------------------|---|
| a) Income Tax demand for A.Y. 2020-21 pursuant to assessment order passed u/s 147 r.w.s. 144B of the Income Tax Act, 1961 dated March 06, 2025 (Order No. ITBA/AST/S/147/2024-25/1074122859(1)) making additions of ₹4,00,41,462/- to returned income | ₹3,70,31,440/- | Appeal filed on March 27, 2025 vide Acknowledgement No. 916874910270325 and is currently pending before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) |
| b) Penalty proceedings initiated u/s 274 r.w.s. 270A of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/270A/2024-25/1074122936(1)) | Not ascertainable | Proceedings pending as on date |
| c) Penalty proceedings initiated u/s 274 r.w.s. 271AAC(1) of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/271AAC(1)/2024-25/1074122938(1)) | Not ascertainable | Proceedings pending as on date |
| Note: The outcome of the above matters is pending at the relevant authorities. The management, based on legal advice, believes that the final outcome is not likely to result in any material liability and hence, no provision has been made in accounts. | | |

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

There are certain discrepancies/errors/delay filings noticed in some of our corporate records relating to forms filed with the Registrar of Companies and other provisions of Companies Act, 2013. There are few discrepancies noticed in some of our corporate records relating to e-forms filed with the Registrar of Companies, missing attachments, typographical error in minutes, reporting in number of board meetings in annual returns and typographical errors in forms filed in ROC filing made by our company.

In the past, there have been some instances of delays in filings with certain provision of statutory regulations applicable to us which is certified pursuant to a Report issued by M/s. JPS & Associates dated April 09, 2025:

- Delay in filling of Financial Statements for the FY 2008-09, 2009-10, 2010-11, 2011-12, 2013-14, 2014-15, 2015-16, 2016-17, 2019-20, 2021-22 and 2022-23.
- Delay in filling of Annual Return for the FY 2008-09, 2010-11, 2011-12, 2013-14, 2014-15, 2015-16, 2019-20, 2021-22 and 2022-23.
- Delay in filling of Compliance Certificate i.e., Form 66 for the FY 2008-09, 2009-10.
- Delay in filling of Appointment of Directors for the FY 2024-25.
- Delay in filling of Appointment of Auditors for the FY 2008-09, 2009-10, 2013-14, 2014-15 and 2023-24 & cessation of auditor for FY 2023-24.
- Delay in filling of Return of Deposit for the FY 2018-19.
- Delay in filling of resolutions i.e., MGT-14 for the FY 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25.
- Delay in filling of Reconciliation of Share Capital for the FY 2018-19, 2019-20, 2020-21, 2021-22, 2022-23 and 2023-24.

Further, our Company was not complied of Section 149 of the Companies Act, 2013 in terms of the appointment of Independent Director and formation of committees under section 177 and 178. Also, our Company has not appointed whole time company secretary as per section 383A of Companies Act, 1956 and financial statements are not signed by the Company Secretary under section 134 of the Companies Act, 2013. However, as a corrective measures of above-mentioned noncompliance, our Company has filed the Form GNL-1 for the adjudication application with the ROC and made the payment. Further, in the past three fiscal years, there have been certain delays in spending the CSR fund and we could not transfer the unspent amount towards said contribution to a separate bank account before spending the same. While we have taken corrective action regarding past non-compliances by spending the CSR amount, there remains a possibility of future regulatory actions or penalties.

While no legal proceedings or regulatory action has been initiated against our Company in relation to such noncompliance or instances of delays in filing statutory forms with the RoC as of the date of this Draft Prospectus, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in future and we cannot assure you that we will not be subject to penalties imposed by concerned regulatory authorities in this respect. Therefore, if the

authorities impose monetary penalties on us or take certain punitive actions against our Company in relation to the same, our business, financial condition and results of operations could be adversely affected.

20. *Our Company intends to utilize a portion of the Net Proceeds of the Offer towards the working capital requirements which are based on certain assumptions.*

The objects of the Offer include funding working capital requirements which are based on the management estimates and certain assumptions by our Company in relation to inter alia sales of the products by us, receivable days and the cost and holding periods of the inventories. The requirements for funding the working capital of our Company have not been appraised by any bank, financial institution or any other appraising authority.

Our business is working capital intensive and accordingly, the net working capital requirements of our Company for the period ended December 31, 2024 and for Fiscals 2024, 2023 and 2022 were ₹6786.51 lakhs, ₹2,000.93 lakhs, ₹1,021.60 lakhs, and ₹6,79.99 lakhs. We propose utilizing up to ₹4,750.00 lakhs in the Fiscals 2026 from the Net Proceeds to fund part of the working capital requirements of our Company. For details, see '*Objects of the Offer*' on page 78.

The future working capital requirements and deployment of funds by us may be subject to change due to factors beyond the control of our Company including force majeure conditions, an increase in defaults by our customers, unanticipated expenses, economic conditions, availability of funding from banks or financial institutions. Accordingly, such working capital requirements and deployment of proceeds may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

Our Company's sources of additional financing, required to meet the working capital requirements of our Company may include availing debt or issue of further equity or debt securities or a combination of both. If our Company decides to raise additional funds by availing debt, the interest and debt repayment obligations of our Company will increase and could have a significant effect on our profitability, margins and cash flow. Further, our Company may be subject to additional covenants, which could limit the ability of our Company to access cash flows from operations. Any issuance of further equity, on the other hand, could result in a dilution of your shareholding in our Company. Accordingly, continued increases in the working capital requirements by our Company may have an adverse effect on our business, results of operations, financial condition and cash flows.

21. *The polymer trading business operates on a high-volume, low-margin model, where price competitiveness is crucial for retaining key customers. Pricing pressure from customers may adversely affect our gross margin, profitability and ability to increase our prices.*

The polymer trading business operates on a high-volume, low-margin model, where price competitiveness is crucial for retaining key customers and expanding our market share. To secure bulk orders, we may need to offer price reductions or discounts on certain products. While such strategies can help increase overall sales volume, they may also compress profit margins, potentially impacting on our financial stability and future growth prospects.

At times, we are required to reduce prices to retain key customers or expand our market share within existing client relationships. In the past, we have provided discounts on our product price, to secure a larger share of customers procurement. However, any reduction in our product prices impacts on our profit margins, potentially leading to material adverse effects on our financial condition, operational results, and long-term business prospects.

Given the nature of our business, maintaining a robust supply chain and optimizing cost efficiencies are essential. As customers scale up their orders, they typically negotiate larger price reductions, further pressuring margins. To sustain profitability, we focus on strategic procurement, supply chain optimization, operational efficiencies, and leveraging economies of scale to counterbalance price reductions while maintaining a competitive position in the market.

22. *Improper storage, processing and handling of our products could damage our inventories and, as a result, have an adverse effect on our business, results of operations and cash flows.*

We typically store our products at our warehouses and depots located in Western Region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Improper storage conditions, such as inadequate handling practices during transportation, warehousing, can cause physical damage, leakage, or loss of product integrity. In the event that our products are improperly stored, processed and handled, our products could be damaged. As a result, our business could be adversely affected, which could have a material adverse effect on our financial condition, results of operations and cash flows.

23. *In case of our inability to obtain, renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our business.*

While we have obtained a significant number of approvals, licenses, registrations and permits from the relevant authorities, there can be no assurance that the relevant authority will issue or renew expired approvals within the applicable time period or at all. Any delay in receipt or non-receipt of such approvals, licenses, registrations and permits could result in cost and time overrun or which could affect our related operations.

These laws and regulations governing us are increasingly becoming stringent and may in the future create substantial compliance or liabilities and costs. While we endeavour to comply with applicable regulatory requirements, it is possible that such compliance measures may restrict our business and operations, result in increased cost and onerous compliance measures, and an inability to comply with such regulatory requirements may attract penalty. For further details regarding the material approvals, licenses, registrations and permits, see “Government and Other Approvals” on page 252 of this Draft Prospectus.

Furthermore, we cannot assure you that the approvals, licenses, registrations and permits issued to us will not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any suspension or revocation of any of the approvals, licenses, registrations and permits that has been or may be issued to us may affect our business and results of operations.

24. Our Company logo  BHAVIK ENTERPRISES LTD. is not registered as on date of Draft Prospectus. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.

As on date of Draft Prospectus, our logo has not been registered under the Trademarks Act, 1999, hence, we do not enjoy the statutory protections accorded to a registered logo. Although we have applied for registration of same vide application no. 6428365 dated May 11, 2024, the same has been objected by the concerned authority. We cannot assure you that any application for registration of our logo in future by our Company will be granted by the relevant authorities in a timely manner or at all. Further, there can be no assurance that third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. We may not be able to detect any unauthorized use or our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. In the event we receive any objection/opposition from the authority or any third party, we may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly, and the outcome cannot be guaranteed.

For further details, please refer to chapters titled “Business Overview - Intellectual Property” and “Government and Other Statutory Approvals- Intellectual Property” on page 159 and 258 of this Draft Prospectus.

25. Our success largely depends upon the knowledge and experience of our Promoters, Directors, our Key Managerial Personnel and Senior Management as well as our ability to attract and retain them. Any loss of our Promoters, Directors, Key Managerial Personnel, Senior Management or our ability to attract and retain them could adversely affect our business, financial condition and results of operations.

Our performance depends largely on the efforts and abilities of our Chairman and Whole time Director, Mr. Mukesh Natverlal Thakkar and our Managing Director, Mr. Bhavik Mukesh Thakar. They have gained experience in this line of business and have over the years-built relations with suppliers, customers, regulators and other persons who are connected with us and have been actively involved in the day-to-day operations and management. Any loss of our Promoters, Directors, Key Managerial Personnel and Senior Management or our ability to attract and retain them and other skilled personnel could adversely affect our business, financial condition and results of operations.

Our operations are managed by a limited number of employees including our Key Managerial Personnel and the success of our operations depends on the management skills and guidance of our Key Managerial Personnel for the development of business strategies, monitoring their successful implementation and meeting future challenges. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our Key Managerial Personnel or Senior Management and other skilled employees are unable or unwilling to continue in his or her present position, it could be difficult for us to find a suitable or timely replacement and our business, financial condition and results of operations could be adversely affected.

There is significant competition for management and other skilled personnel in our industry in which we operate, and it may be difficult to attract and retain the personnel we require in the future. There can be no assurance that our competitors will not offer better compensation packages, incentives and other perquisites to such skilled personnel. If we are not able to attract and retain talented employees as required for conducting our business, or if we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and results of operations may be adversely affected. Among our Key Managerial Personnel and Senior

Management, we not experienced any attrition in the period ended December 31, 2024 and Fiscals 2024, 2023, 2022, respectively and among our total employees, we experienced attrition (calculated as employees who have left/ average employees) rate of 6.45% and 12.50% in the period ended Fiscals 2024 and 2023, respectively. For further information, see “*Our Management*” on page 169.

26. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks. Despite our internal control systems, we may be exposed to operational risks, including fraud, petty theft and embezzlement, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.*

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may affect ability to accurately report, or successfully manage, our financial risks, and to avoid fraud, which may in turn adversely affect our business, financial condition or results of operations.

Further, given the high volume of transactions we process on a daily basis, notwithstanding the internal controls that we have in place, we may be exposed to the risk of fraud or other misconduct by employees, contractors, or customers. Fraud and other misconduct can be difficult to detect and deter. Certain instances of fraud and misconduct may go unnoticed or may only be discovered and successfully rectified after substantial delays. Even when we discover such instances of fraud or theft and pursue them to the full extent of the law or with our insurance carriers, there can be no assurance that we will recover any of the amounts involved in these cases. In addition, 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, which may adversely affect our reputation, business, financial condition, results of operations and cash flows.

27. *Our Company is not having any exact comparable Indian peer which have similar business to our Company.*

Our Company is not having any comparable Indian peer which have similar business to our Company in terms of product mix, size, scale in the same market with the same customer portfolio. The Offer Price of the Equity Shares has been determined by our Company and Selling Shareholders in consultation with the LM through the fixed price Process. A comparison of valuation of the offer with its listed peers would give a fair idea of what to pay in the market. In absence of the comparable Indian peer, investors might not be able to compare our results.

28. *Any inability on supplier part to maintain quality standards could adversely impact our business, results of operations and financial condition.*

Quality control is vital element for our company as we are an authorized distributor of Borouge Pte Ltd to market and sell “Borouge” products in India. Borouge Pte Ltd is a Singapore based multinational company which is engaged in manufacturing and distribution of Polyethylene (PE) and Polypropylene (PP) and related compounds. We also share a good business relation with another petrochemical multinational company i.e., Basell International Trading FZE, a Dubai based Company from whom we are regularly importing the “LyondellBasell” products and sell it in India. Basell International Trading FZE is producers of versatile plastic resins, such as polypropylene and polyethylene. We are supplying our products to agriculture, packaging and infrastructure sectors and each sector has different product specifications. Any rapid change in our customers’ expectation on account of changes in technology or introduction of new or supplement product or any other reason and failure on our part to meet their expectation could adversely affect our business, results of operations and financial condition. We believe that we have expanded our product base to cater to the growing demand of our customers. However, we cannot assure you that our new products will be successfully accepted by our customers. Any failure on our part to successfully meet customer demand or preference may negatively affect our business, results of operation and financial condition. For further details about business of our Company, please refer chapter titled “*Our Business*” beginning on page 130 of this Draft Prospectus.

29. *Our Company had not obtained registration under ESIC in the past while the same was applicable on it.*

In the past, our company was liable to deduct and deposit ESIC contribution in respect of 4 (four) of its employees. However, the Company did not obtain any registration under ESIC Act and never deducted and deposited its share of contribution as per the provisions of ESIC Act. However, as a measure to compensate the eligible employees the Company obtained Life Insurance policies (not being Mediclaim policy) in respect of the concerned employees premium in respect of which was paid from the account of the Company. Although no complaint has been filed against the Company in respect of the non-deduction either by its concerned employees or by the concerned authority, the Company has obtained due

registration under the Act and we cannot assure you that no action shall be taken against us in the matter by the concerned authority in which event we shall be dragged in unwanted litigation and the Company may have to pay penalties based on past calculations thus posing financial burden on the Company.

30. *Certain experience details of company secretary and compliance officer and senior management personnel has not been included in this Draft Prospectus due to unavailability of specific documentary evidence.*

Our company secretary and compliance officer, Mr. Nikhil D. Bhatt and senior management personnel Mr. K P Ravichandra, have been unable to trace copies of certain documents pertaining to their experience and have not been mentioned in this Draft Prospectus. Based on the certain documents provided by them, Mr. Nikhil D. Bhatt has worked with Zee Telefilms Limited, Godrej Soaps Limited, TATA Services Limited, Parle Agro Private Limited, Ajanta Pharma Limited, Rallis India Limited, Asian Paints Limited and Star Wing Developers Private Limited under various legal positions between the period of 1997 to 2024. Mr. K P Ravichandra has worked with Informatics Computer Institute, Edutech Informatics India Limited, BT Global communications India Private Limited between the period of 1996 to 2013. We have not mentioned these details in their profile due to absence of any specific documentary evidence supporting the period of employment with the respective organizations. Further, there can be no assurances that they will be able to trace the relevant documents pertaining to their experience details in the future, or at all.

31. *Any strategies adopted by domestic petrochemical suppliers to reduce imports could have an adverse effect on our business, financial condition and results of operations.*

Our business relies on importing polymers from Borouge Pte Ltd and Basell International Trading FZE, which we further sell to plastic product manufacturers. These imported materials meet strict quality standards, giving us a competitive edge. However, if there is a downturn in demand, domestic petrochemical suppliers may adopt aggressive pricing strategies, offering special discounts and incentives to attract customers. This can make imported materials more expensive and less attractive, as local suppliers could undercut prices, creating a financial challenge for our business. If imported polymers become less viable due to higher costs, it could lead to reduced sales and profit margins, negatively impacting our overall operations.

32. *Our inability to identify customer demand accurately and maintain an optimal level of inventory could adversely affect our business, financial condition, cash flows and results of operations.*

The results of operations of our business are dependent on our ability to effectively manage our inventory and stocks. To effectively manage our inventory, we must be able to accurately estimate customer demand and supply requirements of inventory accordingly. If our management has misjudged expected customer demand it could adversely impact the results by causing either a shortage of products or an accumulation of excess inventory. We estimate our sales based on the forecast, demand and requirements and also on the customer specifications. Natural disasters such as earthquakes, extreme climatic or weather conditions such as floods or droughts may adversely impact the supply of products and local transportation. Our supply of products be disrupted, we may not be able to procure an alternate source of supply in time to meet the demands of our customers. Such disruption to supply would materially and adversely affect our business, profitability and reputation. In the past we have not experienced any instances of disruptions to the delivery of product to our customer occurred for reasons such as poor handling, transportation bottlenecks, or labour strikes, which could have led to delayed or lost deliveries or damaged products and disrupt supply of these products., but there is not guarantee that these instances will not happen in future to improve our line capability. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively. If we overstock inventory, our capital requirements will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet customer demand and our operating results may be adversely affected. Any mismatch between our planning and actual consumer consumption could lead to potential excess inventory or out-of-stock situations, either of which could have an adverse effect on our business, financial condition and results of operation.

33. *We are dependent on third party transportation providers for the supply of products. Accordingly, continuing increases in transportation costs or unavailability of transportation services for them, as well the extent and reliability of Indian infrastructure may have an adverse effect on our business, financial condition, results of operations and prospects.*

Efficient logistics management are critical to the success our trading business in India. We use third party transportation providers for the delivery of our products. Transportation strikes could have an adverse effect on our receipt of products and our ability to deliver our products to our customers. In addition, transportation costs in India have been steadily increasing over the past several years. Continuing increases in transportation costs or unavailability of transportation services for our products may have an adverse effect on our business, financial condition, results of operations and prospects. In addition, India's physical infrastructure is less developed than that of many developed nations, and problems with its road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity, including the delivery of our products to customers by third-party transportation providers. Any

deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have a material adverse effect on our results of operations and financial condition. For details, see "*Our Business*" on page 130.

34. *Our Company's customers operate in various industry segments/verticals and fluctuations in the performance of the industries in which the customers operate may result in a loss of customers, a decrease in the volume of work undertake or the price at which the company offer its products.*

The Company's business operations are exposed to fluctuations in the performance of the industries in which its significant customers operate. Customers may also decide to reduce spending on services due to a changing economic environment and other factors relating to the industry in which they operate. For instance, in the period of pandemic wherein all the industries are facing a slowdown and cash crunch due to the lockdown and other restrictions imposed by several State Governments, had resultant in a widespread impact on the industry. A loss of any significant customers, a decrease in the volume of work that the company's customers outsource or a decline in prices of the products offered by the company may materially and adversely affect its business, operations, financial condition and results of operations.

35. *Our Company will not receive any proceeds from the Offer for Sale.*

The Offer comprises an Offer for Sale by the Selling Shareholders. The Selling Shareholders will receive the entire proceeds from the Offer for Sale (after deducting applicable Offer related expenses) and our Company will not receive any part of the proceeds of the Offer for Sale. For further information, see "*The Offer*" and "*Objects of the Offer*" on pages 54 and 78, respectively.

36. *The average cost of acquisition of Equity Shares by our Promoters is lower than the Offer Price as decided by the Company and Selling Shareholders in consultation with the Lead Manager in accordance with the SEBI ICDR Regulations.*

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Offer Price as decided by our Company and Selling Shareholders in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer chapter title "*Capital Structure*" beginning on page 67 of this Draft Prospectus.

37. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. Further we have not identified any alternate source of financing the Objects of the Offer. Any shortfall in raising / meeting the same could adversely affect our growth plans, business operations and financial condition.*

As on date of this Draft Prospectus, we have not made any alternate arrangements for meeting our capital requirements for objects of the Offer. We meet our capital requirements through, 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 capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the net Offer proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "*Objects of the Offer*" beginning on page 78 of this Draft Prospectus.

38. *Failure or disruption of our IT systems may unfavourably affect our business and operations.*

Our IT infrastructure enables us to track government levies, procurement of products and sale of products, payments to suppliers and receivables from customers. We have win fam accounting and inventory ERP software for our accounting related work.

We rely on our IT infrastructure to provide us with connectivity and data backup across our location and functions. We have taken necessary measures to ensure cyber security, data protection from virus attacks and systems for data retrieval and business continuity. Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and sales, process financial information, manage our creditors, debtors or otherwise conduct our normal business operations, which may increase our costs and otherwise affect our business operations.

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

In the past, our company has at several instances, delayed in filing of GST, TDS & TCS Returns, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues and late filing penalties, if we continue this practice, the accumulated amounts of each delay may adversely affect company's cash flows.

There have been instances of delays in the filing of GST, TDS & TCS Returns and deposit of TDS deducted, which may potentially attract interest, penalties, or other consequences under the applicable provisions. While no action has been initiated against us thus far, we remain concerned that such delays could, in the future, lead to proceedings such as the imposition of penalties or even orders affecting our compliance status. This could result in unnecessary litigation and administrative burdens.

The details of delayed filings are as below:

GST

| Period/ Financial Year | GSTR – 3B | | GSTR – 1 | |
|------------------------------------|------------------|------------------------|------------------|------------------------|
| | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days |
| April 01, 2024 – December 31, 2024 | No Delay | NA | No Delay | NA |
| 2023-24 | No Delay | NA | No Delay | NA |
| 2022-23 | No Delay | NA | 1 | 6 |
| 2021-22 | No Delay | NA | No Delay | NA |

TDS

| Period/ Financial Year | 26Q | | 24Q | | Payment | |
|------------------------------------|------------------|------------------------|------------------|------------------------|------------------|------------------------|
| | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days |
| April 01, 2024 – December 31, 2024 | No Delay | NA | No Delay | NA | 7 | 1- 41 Days |
| 2023-24 | No Delay | NA | No Delay | NA | 2 | 30 Days |
| 2022-23 | No Delay | NA | No Delay | NA | 5 | 9-153 Days |
| 2021-22 | No Delay | NA | No Delay | NA | 17 | 9-192 Days |

TCS

| Period/ Financial Year | 27D | | Payment | |
|------------------------------------|------------------|------------------------|------------------|------------------------|
| | No. of Instances | Range of Delay in days | No. of Instances | Range of Delay in days |
| April 01, 2024 – December 31, 2024 | No Delay | NA | No Delay | NA |
| 2023-24 | No Delay | NA | No Delay | NA |
| 2022-23 | No Delay | NA | No Delay | NA |
| 2021-22 | 1 | 3 | No Delay | NA |

40. We operate in a highly competitive industry. Any inability to compete effectively may lead to a lower market share or reduced operating margins.

We operate in a highly competitive industry with a number of other distributors that deals in competing products. As a result, to remain competitive in the market we must continuously strive to reduce our distribution costs and improve our operating efficiencies and expand our products offering. If we fail to do so, it may have an adverse effect on our market share and results of operations.

Many of our competitors may be larger than us and may benefit large distribution network and operating efficiencies. There can be no assurance that we can continue to effectively compete with such distributors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations. Moreover, the

competitive nature of the distribution industry in steel prices may result in lower prices for our products and decreased profit margins, which may materially adversely affect our revenue and profitability

41. *The Directors of our Company do not have experience of being a director of a public listed company.*

The Directors of our Company do not have the experience of having held directorship of public listed company. Accordingly, they have limited exposure to management of affairs of the listed company which inter-alia entails several compliance requirements and scrutiny of affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, our Company will require to adhere strict standards pertaining to accounting, corporate governance and reporting that it did not require as an unlisted company. Our Company will also be subject to the SEBI Listing Regulations, which will require it to file audited annual and unaudited half yearly reports with respect to its business and financial condition. If our Company experiences any delays, we may fail to satisfy its reporting obligations and/or it may not be able to readily determine and accordingly report any changes in its results of operations as promptly as other listed companies.

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

42. *Employee misconduct including misuse of confidential data and failure to maintain confidentiality of information could harm us and is difficult to detect and deter.*

We could be harmed by employee misconduct if our customers' confidential information is misappropriated by us or our employees, our customers may consider us liable for that act and seek damages and compensation from us, in addition, to seeking termination of the contract. While there have been no instances during the last three financial year of information technology breach or instances of cyber-attack, assertions of misappropriation of confidential information or the intellectual property of our customers against us, if successful, could have a material adverse effect on our business, financial condition and results of operations. Even if such assertions against us are unsuccessful, they may cause us to incur reputational harm and substantial cost.

Although we closely monitor our employees, misconduct, including acts of bribery, corruption or fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks, or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. While we have not experienced any such employee misconduct in the past, it is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our business and our reputation.

Further as on December 31, 2024, we have 18 employees (other than our directors), our operations are managed by a limited number of employees and the success of our operations depends on the management skills and guidance of our Key Managerial Personnel for the development of business strategies, monitoring their successful implementation and meeting future challenges. Our future performance will depend largely on our ability to retain the continued service of our management team. If one or more of our directors or Key Managerial Personnel are unable or unwilling to continue in his/her present position, it could be difficult for us to find a suitable or timely replacement. In case of exit of such employees, it could be difficult for us to find a suitable or timely replacement and in such event our business could be adversely affected.

43. *Fraud, theft, employee negligence or similar incidents may adversely affect the results of operations and financial condition. Our Company faces potential risks related to incidents of theft or damage to inventory.*

While we have not encountered such situations in the past, we acknowledge that there is a possibility of experiencing inventory losses due to various factors such as employee theft, vendor fraud, and general administrative errors. These incidents could have a negative impact on the results of operations and financial condition. Despite implementing security measures and internal controls, there is no guarantee that we will completely avoid instances of fraud, theft, employee negligence, or security lapses in the future. Any such occurrence could lead to significant financial losses and affect our overall business performance. Although we have insurance coverage against losses due to theft, fire, breakage, or damage

caused by other casualties, the extent of coverage may not fully mitigate the financial impact of such incidents on our operations and financial condition. In some cases, the losses incurred may exceed the insurance coverage, resulting in additional financial strain for the Company.

44. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our directors (including our Promoters) are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.*

Our Directors, Key Managerial Personnel and Senior Management may be interested in our Company, in addition to regular remuneration, sitting fees or benefits and reimbursement of expenses, to the extent of the Equity Shares held by them in our Company, and bonuses, dividend payable or other distributions on such Equity Shares. Our directors may be regarded as interested to the extent of the transactions entered into in the ordinary course of business with the companies in which our directors hold directorship and also in the Equity Shares held by them or by their relatives, if any, or that may be subscribed by or allotted to them or the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoter, pursuant to this Offer. Further, our Promoters, are interested in promotion and formation of the Company. Further, our Executive Directors are also directors on the boards, or are shareholders, and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities.

45. *We have Offered Equity Shares during the last one year at a price below the Offer Price.*

Our Company had Offered equity shares pursuant to bonus shares of 1,05,72,006 equity shares on January 31, 2025 in the ratio of 2:1 i.e., 2 Bonus Equity Shares for every 1 Equity Shares held, in the last 12 months which is lower than the Offer Price. The Equity Shares allotted to shareholders pursuant to this Offer may be priced significantly higher due to various reasons including better performance by the Company, better economic conditions and passage of time. For further details, see “*Capital Structure*” on page 67 of this Draft Prospectus.

46. *Our Promoters and Promoter Group will continue to retain a majority shareholding in our Company after the Offer, which will allow them to determine the outcome of matters submitted to shareholders for approval.*

After the completion of the Offer, our Promoters and Promoter Group is hold 72.89% of our issued, subscribed and paid-up Equity Share capital. Further, the involvement of our Promoters in our operations, including through strategy, direction and customer relationships have been integral to our development and business and the loss of any of our Promoters may have a material adverse effect on our business and prospects.

Accordingly, our Promoters and Promoter Group will continue to exercise significant influence over our business and all matters requiring shareholders’ approval, including the composition of our Board of Directors, the adoption of amendments to our constitutional documents, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, investments and capital expenditures. This concentration of ownership may also delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of our Promoters and Promoter Group. Further, the Promoters’ shareholding may limit the ability of a third party to acquire control. The interests of our Promoters and Promoter Group, as our Company’s controlling shareholder, could conflict with our Company’s interests, your interests or the interests of our other shareholders. There is no assurance that our Promoters and Promoter Group will act to resolve any conflicts of interest in our Company’s or in investor favor.

47. *Certain sections of this Draft Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks.*

Certain sections of this Draft Prospectus include information based on, or derived from, the Industry Research Report on “*Indian Petrochemical Industry*” (with focus on Polymers) dated December 24, 2024 prepared and issued by D&B India, which has been exclusively commissioned and paid for by our Company in connection with the Offer and appointed on November 18, 2024. D&B India is an independent agency which has no relationship with our Company, our Promoters, Promoter group and any of our directors or KMPs.

Further, D&B Report is prepared based on information as of specific dates and may no longer be current or reflect current trends. Certain information in this Report is subject to limitations and is also based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Industry sources do not guarantee the accuracy, adequacy or completeness of the data. The D&B Report uses certain methodologies for market sizing and forecasting. Furthermore, the D&B Report is not a recommendation to invest/ disinvest in any company covered in the D&B Report. Accordingly, Investors should not place undue reliance on, or base their investment decision solely on this information.

In view of the foregoing, you may not be able to seek legal recourse for any losses resulting from undertaking any investment in the Offer pursuant to reliance on the information in this Draft Prospectus based on, or derived from, the D&B Report. You should consult your own advisors and undertake an independent assessment of information in this Draft Prospectus based on, or derived from, the D&B Report before making any investment decision regarding the Offer. For further details, see “*Industry Overview*” on page 96.

48. *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. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” beginning on page 191 of this Draft Prospectus.

49. *The funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency and our management will have broad discretion over the use of the Net Proceeds.*

Our Company intends to use Net Proceeds from the Fresh Offer towards (a) Funding Working capital requirement; and (b) general corporate purposes. For details of the objects of the Offer, see “*Objects of the Offer*” on page 78. The funding requirement and deployment of the Net Proceeds mentioned as a part of the Objects of the Fresh Offer are based on current circumstances of our business, prevailing market conditions, and are subject to changes. The estimates for the proposed expenditure are based on several variables, a significant variation in any one or a combination of which could have an adverse effect. Furthermore, the deployment of funds has not been appraised by any bank or financial institution.

We operate in a highly competitive and dynamic industry and we may have to revise our funding requirements and deployment from time to time on account of various factors beyond our control, such as availability of material, inflation, employment levels, demographic trends, changing customer preferences, increasing regulations or changes in government policies, our Board’s analysis of economic trends and business requirements, competitive landscape, as well as general factors affecting our business, results of operations, financial condition and access to capital such as credit availability and interest rate levels.

50. *Our future funds requirements, in the form of 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 issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flow, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

EXTERNAL RISKS

51. *An investment in the Equity Shares is subject to general risk related to investments in Indian Companies.*

Our Company is incorporated in India and all of our assets and employees are located in India. Consequently, our business, results of operations, financial condition and the market price of the Equity Shares will be affected by changes in interest rates in India, policies of the Government of India, including taxation policies along with policies relating to industry, political, social and economic developments affecting India.

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

The Offer Price of our Equity Shares has been determined by fixed price method. The Offer Price is based on numerous factors (For further information, please refer chapter titled “*Basis for Offer Price*” beginning on page 85 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot

assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- i. quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- ii. changes in revenue or earnings estimates or publication of research reports by analysts;
- iii. results of operations that vary from those of our competitors;
- iv. speculation in the press or investment community;
- v. new laws and governmental regulations applicable to our industry;
- vi. future sales of the Equity Shares by our shareholders;
- vii. general market conditions; and
- viii. domestic and international economic, legal and regulatory factors unrelated to our performance

53. *Our Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.*

Prior to the Offer, there has been no public market for our Equity Shares, and an active trading market may not develop or be sustained after the Offer. Listing and quotation do not guarantee that a market for our Equity Shares will develop or, if developed, does not guarantee the liquidity of such market for the Equity Shares. Investors might not be able to rapidly sell the Equity Shares at the quoted price if there is no active trading in the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

54. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors assessments of Our Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares. The proposed adoption of IFRS could result in our financial condition and results of operations appearing materially different than under Indian GAAP.*

Our restated financial statements, including the financial statements provided in this Draft Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, refer chapter titled “*Presentation of Financial Industry and Market Data*” beginning on Page 16 of this Draft Prospectus.

Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited. India has decided to adopt the “Convergence of its existing standards with IFRS” and not the “International Financial Reporting Standards” (“IFRS”), which was announced by the MCA, through the press note dated January 22, 2010. These “IFRS based / synchronized Accounting Standards” are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, MCA Notification dated February 16, 2015, has provided an exemption to the Companies proposing to list their shares on the SME Exchange as per Chapter IX of the SEBI ICDR Regulations and hence the adoption of IND (AS) by a SME exchange listed Company is voluntary. Accordingly, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares. Currently, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards, i.e., IND (AS) and for future periods.

Moreover, if we volunteer for transition to IND (AS) reporting, the same may be hampered by increasing competition and increased costs for the relatively small number of IND (AS)-experienced accounting personnel available as more Indian companies begin to prepare IND (AS) financial statements. Any of these factors relating to the use of converged Indian Accounting Standards may adversely affect our financial condition.

55. *There is no guarantee that the Equity Shares Offered pursuant to the Offer will be listed on the BSE SME Platform in a timely manner or at all and any trading closure at stock exchange may adversely affect the trading price of our Equity Shares.*

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares Offered pursuant to the Offer will not be granted until after the Equity Shares have been Offered and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE SME. There is no guarantee that the Equity Shares Offered pursuant to the Offer will be listed on the BSE SME Platform in a timely manner or at all and any trading closure at stock exchange may adversely affect the trading price of our Equity Shares.

56. *Any future issuance of Equity Shares may dilute your shareholding and sale of our Equity Shares by our Promoters or other shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by us, including in a primary offering, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

57. *There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for 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 the stock exchange, 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. The percentage limit on circuit breakers is said by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchange does 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 the 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. *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, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹100,000, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. The Finance Act, 2020, has, among other things, provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, that such dividends not be exempt in the hands of the shareholders, both resident as well as non-resident, and that such dividends likely be subject to tax deduction at source.

The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source from such dividend. Investors should consult their own tax advisors about the consequences of investing or trading in the Equity Shares.

Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In cases where the seller is a non-resident, capital gains arising from the sale of the equity shares will be partially or wholly exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Historically, 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 jurisdiction on a gain upon the sale of the equity shares.

Further, we cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition, results of operations and cash flows. The Government of India had announced the union budget for financial year 2024 and the Finance Act, 2023 received assent from the President of India on March 31, 2023. There is no certainty on the impact that the Finance Act, 2023 may have on our business and operations or in the industry we operate in.

59. *The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.*

Prior to this Offer, there has been no public market for our Equity Shares. Our Company and the Lead Manager have appointed Market Maker for the equity shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Offer due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets and Finance industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnership, joint ventures, or capital commitments.

60. *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 exchange control regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain restrictions) if they comply with the pricing guidelines and reporting requirements specified by the Reserve Bank of India. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the approval of the Reserve Bank of India will be required for such transaction to be valid.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as Department of Industrial Policy and Promotion) 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 a land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government of India, as prescribed in the Consolidated FDI Policy and the FEMA Rules. These investment restrictions shall also apply to subscribers of offshore derivative instruments. Neither the Consolidated FDI Policy nor the FEMA Rules provide a definition of the term "beneficial owner". The interpretation of "beneficial owner" and enforcement of this regulatory change may differ in practice, which may have an adverse effect on our ability to raise foreign capital. We cannot assure you that any required approval from the Reserve Bank of India or any other governmental agency can be obtained on any particular terms or at all.

61. *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.

62. *Natural calamities, climate change and health epidemics could adversely affect the Indian economy and our business, financial condition, and results of operations. In addition, hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect our business, financial condition and results of operations.*

Our operations including our offices may be damaged or disrupted as a result of natural calamities. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace

damaged equipment or rebuild parts of our offices. Any of the above factors may adversely affect our business, financial condition and results of operations. India has from time-to-time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have a material adverse effect on the market for securities of Indian companies.

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

The regulatory and policy environment in which we operate is evolving and subject to change. Our business and financial performance could be adversely affected by unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. In such instances, and including the instances mentioned below, our business, results of operations and prospects may be adversely impacted, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Additionally, the Government of India has introduced (a) the Code on Wages, 2019; (b) the Code on Social Security, 2020; (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020 which consolidate, subsume and replace numerous existing central labour legislations. While the rules for implementation under these codes have not been notified, the implementation of such laws could increase our employee and labour costs, thereby adversely impacting our results of operations, cash flows, business and financial performance.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. For instance, companies can voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which reduces the rate of income tax payable to 22% subject to compliance with conditions prescribed, from the erstwhile 25% or 30% depending upon the total turnover or gross receipt in the relevant period. Any such future amendments may affect our other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds, and long-term capital gains on equity shares if withdrawn by the statute in the future, and the same may no longer be available to us. Any adverse order passed by the appellate authorities/ tribunals/ courts would have an effect on our profitability.

Further, the GoI has announced the union budget for Fiscal 2024, pursuant to which the Finance Bill, 2023 (“Finance Bill”), has introduced various amendments. The Finance Bill has received assent from the President of India on March 31, 2023, and has been enacted as the Finance Act, 2023. We cannot predict whether any amendments made pursuant to the Finance Act, 2023 would have an adverse effect on our business, financial condition and results of operations. Furthermore, changes in capital gains tax or tax on capital market transactions or the sale of shares could affect investor returns. As a result, any such changes or interpretations could have an adverse effect on our business and financial performance.

There can be no assurance that the GoI will not implement new regulations and policies requiring us to obtain approvals and licenses from the GoI or other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent in the jurisdictions in which we operate may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future. It may also have a material adverse effect on our business, financial condition, cash flows and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which could materially harm our results of operations or cash flows. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

We are unable to determine the impact of any changes in or interpretations of existing, or the promulgation of, new, laws, rules and regulations applicable to us and our business. If that was to occur it could result in us, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial

precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

64. Regulation of greenhouse gas emissions and climate change issues may adversely affect our operations.

Many governments are moving to enact climate change legislation and treaties at the international, national, state, provincial and local levels. Where legislation already exists, regulations relating to emission levels and energy efficiency are generally becoming more stringent. Some of the costs associated with meeting more stringent regulations can be offset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues, meeting more stringent regulations is anticipated to result in increased costs, and this may have a material adverse impact on our financial condition and results of operations. Further, India and many other nations are signatories to international agreements related to climate change including the 1992 United Nations Framework Convention on Climate Change, which is intended to limit or capture emissions of greenhouse gas, such as carbon dioxide and the 2016 Paris Agreement, which extended the potentially binding set of emissions targets to all nations. Our compliance with any new environmental laws or regulations, particularly relating to greenhouse gas emissions, may require significant capital expenditure or result in the incurrence of fees and other penalties in the event of non-compliance. We cannot guarantee that future legislative, regulatory, international law, industry, trade or other developments will not negatively impact our operations and the demand for the products we sell. If any of the foregoing were to occur, our business, financial condition and results of operations may be adversely affected.

65. Our business is substantially affected by prevailing economic, political and other conditions political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

We are incorporated in and all our operations are located in India. As a result, we are highly dependent on prevailing economic conditions in India and our results of operations and cash flows are significantly affected by factors influencing the Indian economy. Factors that may adversely affect the Indian economy, and hence our results of operations and cash flows, may include:

- a. any increase in Indian interest rates or inflation;
- b. any exchange rate fluctuations;
- c. any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- d. prevailing income conditions among Indian consumers and Indian corporates;
- e. volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges;
- f. changes in India's tax, trade, fiscal or monetary policies;
- g. political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- h. occurrence of natural or man-made disasters;
- i. prevailing regional or global economic conditions, including in India's principal export markets;
- j. any downgrading of India's debt rating by a domestic or international rating agency;
- k. financial instability in financial markets; and
- l. other significant regulatory or economic developments in or affecting India or its manufacturing sector.

On February 24, 2022, Russian military forces invaded Ukraine. Although the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable, this conflict and responses from international communities could lead to significant market and other disruptions, including significant volatility in commodity prices and supply of energy resources, instability in financial markets, supply chain interruptions, political and social instability, changes in consumer or purchaser preferences as well as increase in cyberattacks and espionage.

To date, we have not experienced any material interruptions in our supply chain and distribution network in connection with these conflicts. We have no way to predict the progress or outcome of the conflict in Ukraine as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military action, sanctions and resulting market disruptions could be significant and could potentially have a substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations.

In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations, cash flows and financial condition and the price of the Equity Shares.

66. 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.

67. *The ability of Indian companies to raise foreign capital may be constrained by Indian law.*

As an Indian Company, we are subject to exchange controls that regulate borrowing in foreign currencies, including those specified under FEMA. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. Limitations on foreign debt may adversely affect our business growth, results of operations and financial condition

68. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.*

In recent months, consumer and wholesale prices in India have exhibited increased inflationary trends, as the result of an increase in crude oil prices, higher international commodity prices, and higher domestic consumer and supplier prices. The Consumer Price Index increased from 3.4% (average) in Fiscal 2019 to 4.8% (average) in Fiscal 2020 to an estimated 6.2% (average) in Fiscal 2021 although the RBI has enacted certain policy measures designed to curb inflation, these policies may not be successful. In February 2022, hostilities between Russia and the Ukraine commenced. The market price of oil has risen sharply since the commencement of these hostilities which could have an inflationary effect in India. Continued high rates of inflation may increase our expenses related to salaries or wages payable to our employees, products and other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our business, financial condition and results of operations.

69. *A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian Law.*

As a listed Indian entity, there are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company. Under the SEBI SAST Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company subsequent to completion of the Offer. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to our shareholders, such a takeover may not be attempted or consummated because of SEBI SAST Regulations.

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

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in emerging market in Asian countries. Financial turmoil in Asia, Europe, the United States and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have an adverse effect on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any global financial instability, including further deterioration of credit conditions in the U.S. market, could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our results of operations and financial condition. The Indian economy is also influenced by economic and market conditions in other countries. This includes, but is not limited to, the conditions in the United States, Europe and certain economies in Asia. Financial turmoil in Asia and elsewhere in the world in recent years has affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and its business. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby impact the Indian economy. Financial disruptions in the future could adversely affect our business, prospects, financial condition and results of operations. The global credit and equity markets have in the past experienced substantial dislocations, liquidity disruptions and market corrections.

SECTION IV – INTRODUCTION

THE OFFER

| | |
|--|--|
| Equity Shares Offered⁽¹⁾: Present Offer of Equity Shares by our Company:⁽²⁾ | 55,00,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹140/- per Equity Share aggregating ₹7,700.00 Lakhs |
| The Offer consists of: | |
| Fresh Offer | 45,00,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity Share aggregating ₹6,300.00 Lakhs |
| Offer for Sale⁽³⁾ | 10,00,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity Share aggregating ₹1,400.00 Lakhs |
| Of which: | |
| Offer Reserved for the Market Maker | 2,80,000 Equity Shares of face value of ₹10/- each fully paid up for cash at a price of ₹140/- per Equity Share aggregating ₹392.00 Lakhs |
| Net Offer to Public | 52,20,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹140/- per Equity Share aggregating ₹7,308.00 Lakhs |
| | Of which⁽⁴⁾: |
| | 26,10,000 Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹140/- per Equity Share will be available for allocation to Individual Investors who applies for minimum application size |
| | 26,10,000 Equity Shares of having face value of ₹10/- each fully paid-up for cash at a price of ₹140/- per Equity Share will be available for allocation to other than individual applicants who applies for more than minimum application size and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for |
| Equity shares outstanding prior to the Offer | 1,58,58,009 Equity Shares of face value of ₹10/- each fully paid-up |
| Equity shares outstanding after the Offer | 2,03,58,009 Equity Shares of face value of ₹10/- each fully paid-up |
| Use of Net Proceeds | Please refer to the chapter titled “ <i>Objects of the Offer</i> ” beginning on page 78 of this Draft Prospectus |

Notes:

- (1) This Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time. This Offer 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 – offer paid up equity share capital of our company are being issued to the public for subscription.
- (2) The present Offer has been authorized pursuant to a resolution of our Board dated March 03, 2025 and by Special Resolution passed under Section 28 and 62(1)(c) of the Companies Act, 2013 at an Extra Ordinary General Meeting of our shareholders held on March 05, 2025.
- (3) The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. The Selling Shareholders have confirmed and approved his portion in the Offer for Sale as set out below:

| Promoter Selling Shareholders | Number of Equity Shares Offered | Date of Transmittal Letter |
|-------------------------------|---------------------------------|----------------------------|
| Mr. Mukesh Natverlal Thakkar | 3,00,000 | March 21, 2025 |
| Mr. Bhavik Mukesh Thakkar | 3,00,000 | March 21, 2025 |
| Ms. Purnima Mukesh Thakkar | 4,00,000 | March 21, 2025 |

- (4) The allocation in the net Offer to the public category shall be made as per the requirements of Regulation 253(3) of SEBI ICDR Regulations, as amended from time to time, which reads as follows:
 - a. Minimum fifty percent to Individual Investors who applies for minimum application size; and
 - b. Remaining to:
 - i. individual applicants who applies for more than minimum application size; and

- ii. *Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;*

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

Explanation - For the purpose of sub-regulation (2), If the category of individual investors who applies for minimum application size is entitled to more than fifty per cent. of the offer size on a proportionate basis, such individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “*Offer Structure*” beginning on page 282 of this Draft Prospectus.

SUMMARY OF FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(All amounts are ₹ in Lakhs unless otherwise stated)

| Particulars | | Note | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--|------|-----------------------|-------------------------|-------------------------|-------------------------|
| Equity and liabilities | | | | | | |
| Shareholders' Funds | | | | | | |
| (a) | Share capital | 5 | 528.60 | 528.60 | 528.60 | 528.60 |
| (b) | Reserves and Surplus | 6 | 9,113.39 | 8,705.00 | 7,915.88 | 6,359.90 |
| Total Shareholders' Funds | | | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Non-current liabilities | | | | | | |
| (a) | Long term Provisions | 7 | 20.86 | 17.09 | 15.16 | 13.42 |
| (b) | Deferred Tax Liabilities (Net) | 8 | 0.02 | 3.10 | 5.30 | 4.25 |
| Total non-current liabilities | | | 20.88 | 20.19 | 20.46 | 17.67 |
| Current liabilities | | | | | | |
| (a) | Trade payables | 9 | | | | |
| | - Total outstanding dues to micro and small enterprises | | 112.38 | 46.11 | 40.58 | 42.06 |
| | - Total outstanding dues of creditors other than micro and small enterprises | | 6,627.99 | 4,052.67 | 6,975.64 | 4,778.82 |
| (b) | Other current liabilities | 10 | 51.20 | 258.82 | 135.70 | 112.81 |
| (c) | Short term Provisions | 11 | 37.61 | 40.84 | 129.61 | 69.64 |
| Total current liabilities | | | 6,829.19 | 4,398.44 | 7,281.54 | 5,003.32 |
| Total Shareholders Fund and Liabilities | | | 16,492.06 | 13,652.22 | 15,746.48 | 11,909.50 |
| Assets | | | | | | |
| Non-current assets | | | | | | |
| (a) | Property, plant and equipment and Intangible Asset | | | | | |
| | -Property, plant and equipment | 12 | 120.64 | 134.98 | 154.14 | 121.58 |
| (b) | Non Current Investments | 13 | 0.00 | 1.16 | 1.16 | 1.16 |
| (c) | Long Term Loan and Advances | 14 | 1,090.52 | 657.68 | 657.68 | 333.38 |
| (d) | Other Non Current assets | 15 | 24.98 | 54.08 | 52.12 | 102.79 |
| Total non-current assets | | | 1,236.14 | 847.90 | 865.10 | 558.92 |
| Current assets | | | | | | |
| (a) | Inventories | 16 | 6,821.99 | 2,798.75 | 4,449.23 | 2,585.92 |
| (b) | Trade receivables | 17 | 5,737.05 | 3,465.52 | 4,157.22 | 3,735.23 |
| (c) | Cash and Bank Balance | 18 | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |
| (d) | Short Term Loan and Advances | 19 | 1,050.03 | 352.78 | 109.89 | 164.62 |
| (e) | Other Current assets | 20 | 6.63 | 77.57 | 41.58 | 30.36 |
| Total current assets | | | 15,255.92 | 12,804.32 | 14,881.38 | 11,350.59 |
| Total assets | | | 16,492.06 | 13,652.22 | 15,746.48 | 11,909.50 |

STATEMENT OF PROFIT AND LOSS AS RESTATED

(All amounts are ₹ in Lakhs unless otherwise stated)

| Particulars | | Note | For the Period ended on Dec 31, 2024 | For the Fiscals Year ended on March 31, 2024 | For the Fiscals Year ended on March 31, 2023 | For the Fiscals Year ended on March 31, 2022 |
|-------------|--|------|--------------------------------------|--|--|--|
| I | Revenue from operations | 21 | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| II | Other income | 22 | 424.06 | 622.40 | 381.66 | 376.12 |
| III | Total income (I + II) | | 39,053.96 | 50,034.76 | 49,108.22 | 28,752.48 |
| IV | Expenses | | | | | |
| | (a) Purchase Cost | 23 | 40,301.31 | 46,188.51 | 45,621.65 | 26,375.70 |
| | (b) Operating Cost | 24 | 1,231.53 | 1,483.31 | 1,317.92 | 633.71 |
| | (c) Changes in inventories of Stock in Trade | 25 | (3,406.63) | 795.05 | (417.79) | 422.86 |
| | (d) Employee benefit expense | 26 | 169.47 | 172.96 | 162.03 | 162.44 |
| | (e) Finance costs | 27 | 10.48 | 19.08 | 34.18 | 11.95 |
| | (f) Depreciation and amortisation expense | 28 | 15.07 | 20.34 | 7.23 | 10.34 |
| | (g) Other expenses | 29 | 180.95 | 289.82 | 296.12 | 225.15 |
| | Total expenses (IV) | | 38,502.16 | 48,969.06 | 47,021.33 | 27,842.14 |
| V | Profit before tax (III - IV) | | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| VI | Tax expense | | | | | |
| | (1) Current tax | 30 | 146.49 | 278.79 | 529.86 | 234.31 |
| | (2) Deferred tax expense/ (credit) | 30 | (3.08) | (2.20) | 1.05 | (0.12) |
| | Total tax expense (VI) | | 143.41 | 276.59 | 530.91 | 234.20 |
| VII | Profit for the year (V -VI) | | 408.39 | 789.12 | 1,555.97 | 676.14 |
| VIII | Earnings per equity share (adjusted for the bonus shares issued after the balance sheet date) | 31 | | | | |
| | (1) Restated Basic (₹) | | 2.58 | 4.98 | 9.81 | 4.26 |
| | (2) Restated Diluted (₹) | | 2.58 | 4.98 | 9.81 | 4.26 |

RESTATED STATEMENT OF CASH FLOWS

(All amounts are ₹ in Lakhs unless otherwise stated)

| Particulars | For the Period Ended on December 31, 2024 | the on For the Period Ended on March 31, 2024 | For the Period Ended on March 31, 2023 | For the Period Ended on March 31, 2022 |
|---|---|---|--|---|
| Cash flows from operating activities | | | | |
| Profit before tax | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Adjustments for: | | | | |
| Finance costs | 0.11 | 2.51 | 0.68 | 0.37 |
| Gratuity Expense | 4.24 | 3.73 | 1.31 | 2.71 |
| Sundry Creditors written Back | (0.05) | (5.01) | 0.63 | - |
| Loss/(Profit) on sale of Investments | (1.60) | - | - | - |
| Loss/(Profit) on sale of Motor car | - | - | (0.08) | - |
| Interest income | (202.33) | (266.67) | (217.90) | (152.45) |
| Depreciation and amortisation expenses | 15.07 | 20.34 | 7.23 | 10.34 |
| Operating profit before working capital changes | 367.23 | 820.60 | 1,878.76 | 771.31 |
| Adjustments for: | | | | |
| (Increase)/decrease in operating assets | | | | |
| Trade receivables | (2,271.53) | 691.70 | (421.98) | (727.79) |
| Inventories | (4,023.24) | 1,650.48 | (1,863.31) | 254.20 |
| Other Non-Current Assets | 29.10 | (1.96) | 50.67 | 0.30 |
| Long Term Loan and Advances | (32.83) | - | - | - |
| Short Term Loan and Advances | (697.25) | (242.88) | 54.72 | (25.83) |
| Other Current Assets | 70.93 | (35.99) | (11.22) | (0.08) |
| Increase/(decrease) in operating liabilities | | | | |
| Trade payables | 2,641.64 | (2,912.44) | 2,194.73 | 209.05 |
| Provisions (Long Term & Short Term) | (8.83) | (191.05) | 132.86 | (373.97) |
| Other current liabilities | (207.62) | 123.12 | 22.90 | (15.39) |
| Changes in Working Capital | (4,499.63) | (919.02) | 159.37 | (679.51) |
| Cash generated from operations | (4,132.39) | (98.42) | 2,038.13 | 91.79 |
| Income tax paid | (141.35) | (178.32) | (602.33) | (40.74) |
| Net cash generated by operating activities | (4,273.75) | (276.74) | 1,435.80 | 51.06 |
| Cash flows from investing activities | | | | |
| Sale of Investments | 2.76 | - | - | - |
| Advance given against Property Purchase | (400.00) | - | (324.30) | - |
| Purchase of property, plant and equipment and other intangible assets | (0.73) | (1.17) | (46.04) | (1.12) |
| Interest Income | 202.33 | 266.67 | 217.90 | 152.45 |
| Proceeds from disposal of property, plant and equipment and other intangible assets | - | - | 6.33 | - |
| Net cash used in investing activities | (195.64) | 265.50 | (146.11) | 151.33 |
| Cash flows from financing activities | | | | |
| Interest paid | (0.11) | (2.51) | (0.68) | (0.37) |
| Net cash (used in) / generated by financing activities | (0.11) | (2.51) | (0.68) | (0.37) |
| Net increase/ (decrease) in cash and cash equivalents | (4,469.50) | (13.75) | 1,289.01 | 202.01 |
| Cash and cash equivalents at the beginning of the year | 6,109.72 | 6,123.46 | 4,834.46 | 4,632.44 |
| Cash and cash equivalents at the end of the year (Refer Note 17) | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |
| Reconciliation of cash and cash equivalents with the Balance Sheet: | | | | |

GENERAL INFORMATION

REGISTERED OFFICE OF OUR COMPANY

Bhavik Enterprises Limited

Office No. 1105, 11th Floor, DLH Park,
S V Road, Goregaon West,
Malad West, Mumbai-400064, Maharashtra, India.

Tel No.: +91 9152815659

Email: investors@bhavikenterprises.com

Website: <https://bhavikenterprises.com/>

Corporate Identity Number: U51900MH2008PLC186771

Registration Number: 186771

For further details regarding changes in the registered office of our Company, please refer to the chapter titled “*History and Certain Corporate Matters*” beginning on page 166 of this Draft Prospectus.

REGISTRAR OF COMPANIES

Registrar of Companies, Mumbai

Ministry of Corporate Affairs,
Registrar Of Companies, 100, Everest,
Marine Drive, Mumbai- 400002, Maharashtra, India.

Tel No.: 022- 2281 2627/ 22020295/22846954

Email: roc.mumbai@mca.gov.in

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

BSE SME

BSE Limited

25th Floor, Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India

Tel No.: 022 – 2272 1233/34

Website: www.bseindia.com

BOARD OF DIRECTORS

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

| Name | Designation | DIN | Residential Address |
|-------------------------------------|------------------------------------|----------|---|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole-time Director | 01867515 | A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Borivali West, Mumbai, Maharashtra- 400092, India. |
| Mr. Bhavik Mukesh Thakkar | Managing Director | 01867522 | A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Near Factory Lane, Borivali West, Mumbai, Maharashtra- 400092, India. |
| Ms. Purnima Mukesh Thakkar | Executive Director | 02262042 | A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Near Factory Lane, Borivali West, Mumbai, Maharashtra- 400092, India. |
| Ms. Jeny Vinod Kumar Gowadia | Non-Executive Independent Director | 03014009 | 1105 Ostwal Tower, 11 th Floor, T P S-3, Shimpoli Road, Borivali West, Samta Bhawan, Vazira Naka, Mumbai Suburban, Mumbai- 400091, Maharashtra, India. |
| Mr. Manishkumar Anjanikumar Dhanuka | Non-Executive Independent Director | 03272845 | A 2404, Oberoi Esquire, Off Western Express Highway, VTC: Mumbai, Goregaon East, Mumbai Suburban-400063, Maharashtra, India. |
| Mr. Jayesh Jaysinh Kapadia | Non-Executive Independent Director | 10836880 | A/4, Parichit Bunglow, Dwarkesh Park, Sai Baba Nagar Road, Sai Baba Nagar, Borivali West, Mumbai- 400092, Maharashtra, India. |

For detailed profile of our Board of Directors, please see chapter titled “*Our Management*” beginning on page 169 of this Draft Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Nikhil D. Bhatt is our Company Secretary and Compliance Officer. His contact details are as follows;

Mr. Nikhil D. Bhatt

Office No. 1105, 11th Floor, DLH Park,
S V Road, Goregaon West,
Malad West, Mumbai-400064, Maharashtra, India.

Tel No.: +91 9152815659

Email: investors@bhavikenterprises.com

Website: <https://bhavikenterprises.com/>

Membership No.: 22219

LEAD MANAGER TO THE OFFER

Smart Horizon Capital Advisors Private Limited

(Formerly Known as Shreni Capital Advisors Private Limited)

B/908, Western Edge II, Kanakia Space, Behind metro mall,
Off Western Express Highway, Magathane, Borivali East,
Mumbai – 400066, Maharashtra, India

Tel No: 022-28706822

Email: director@shcapl.com

Website: www.shcapl.com

Investor Grievance E-mail: investor@shcapl.com

Contact Person: Mr. Parth Shah

SEBI Registration Number: INM000013183

REGISTRAR TO THE OFFER

Bigshare Services Private Limited

Office No S6-2, 6th Floor, Pinnacle Business Park,
Next to Ahura Centre, Mahakali Caves Road,
Andheri (East) Mumbai – 400 093, Maharashtra, India.

Tel No: 022 – 6263 8200

Email: ipo@bigshareonline.com

Investor Grievance E-mail: investor@bigshareonline.com

Website: www.bigshareonline.com

Contact Person: Mr. Asif Sayyad

SEBI Registration Number: INR000001385

LEGAL ADVISOR TO THE OFFER

M/s. Asha Agarwal & Associates

118, Shila Vihar, Gokulpura, Kalwar Road,
Jhotwara, Jaipur – 302 012, Rajasthan, India.

Tel: +91 99509 33137

E-mail: ashaagarwalassociates@gmail.com

License: 75654/R/38/2016

Contact Person: Ms. Asha Agarwal

BANKERS TO THE OFFER / REFUND BANK/ SPONSOR BANK

[•]

SHARE ESCROW AGENT

[•]*

* *The Share Escrow Agent shall be appointed prior to filing of the Prospectus with the ROC.*

BANKERS TO OUR COMPANY

Bank of Baroda

Anand Bhuvan, SVP Road, Mount Poincur,
Borivali (W), Mumbai- 400103
Tel No: 9536347474
Email: dbmont@bankofbaroda.co.in
Contact Person: Sumit Singh

HDFC Bank Limited

Borivali West, Chamunda Circle Branch,
Tel No: 9321298882
Email: nayna.bavkar@hdfcbank.com
Contact Person: Ms. Nayna Bavkar

STATUTORY AND PEER REVIEW AUDITORS OF OUR COMPANY

M/s. M. Parashar & Co.

Chartered Accountants,

326, 3rd Floor, Laxmi Business Park,
New Link Road, Andheri (West), Mumbai- 400053, Maharashtra, India.
Tel No.: +91
Email: mparasharco@outlook.com
Contact Person: CA Amit Parashar
Firm Registration No.: 110954C
Membership No: 430317
Peer Review Number: 015327

M/s. M. Parashar & Co., Chartered Accountants hold a peer review certificate dated May 12, 2023 issued by the Institute of Chartered Accountants of India.

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES

Smart Horizon Capital Advisors Private Limited (*Formerly known as Shreni Capital Advisors Private Limited*) is the sole Lead Manager to this Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

SELF-CERTIFIED SYNDICATE BANKS (“SCSBs”)

The list of recognised intermediaries notified by SEBI is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB branches with which an ASBA Applicants (other than a UPI Applicants using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit Application Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, or at such other websites as may be prescribed by SEBI from time to time.

SELF-CERTIFIED SYNDICATE BANKS ELIGIBLE FOR UPI MECHANISM AND MOBILE APPLICATIONS ENABLED FOR UPI MECHANISM

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, UPI Applicants may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

REGISTERED BROKERS

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

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

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

In terms of SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, the list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and email address, are provided on the website of the SEBI (www.sebi.gov.in), and updated from time to time. For details on RTA, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>.

COLLECTING DEPOSITORY PARTICIPANTS (“CDP”)

The list of the Collecting Depository Participants (CDPs) eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19> for NSDL CDPs and at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=18> for CDSL CDPs, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CREDIT RATING

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

IPO GRADING

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

DEBENTURE TRUSTEES

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

MONITORING AGENCY

[•]*

**The Monitoring Agency shall be appointed prior to filing of the Prospectus with the ROC.*

FILING OF THE DRAFT PROSPECTUS

The Draft Prospectus shall be filed with BSE through the BSE Listing portal at <https://listing.bseindia.com/home.htm> and will also be filed with BSE situated at 25th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India.

Pursuant to Regulation 247(1) of SEBI (ICDR) Amendment Regulations, 2025, the Draft Prospectus filed with BSE will be made public for comments, if any, for a period of at least twenty-one days from the date of filing the Draft Prospectus, by hosting it on our Company’s website, BSE SME’s website and Lead Manager’s website.

Pursuant to Regulation 247(2) of SEBI (ICDR) Amendment Regulations, 2025, our Company shall, within two working days of filing the Draft Prospectus with BSE SME Exchange, make a public announcement in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and all editions of a regional daily newspaper (Marathi being the regional language of Maharashtra, where our Registered Office is located), disclosing the fact of filing of the Draft Prospectus with BSE SME and inviting the public to provide their comments to the BSE SME Exchange, our Company or the Lead Manager in respect of the disclosures made in this Draft Prospectus.

Pursuant to Regulation 247(3) of SEBI (ICDR) Amendment Regulations, 2025, the Lead Manager shall, after expiry of the period stipulated in sub-regulation (1), file with the BSE SME, details of the comments received by them or the issuer from the public, on the Draft Prospectus, during that period and the consequential changes, if any, that are required to be made in the Draft Prospectus.

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

A copy of the Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 26 and Section 28 of the Companies Act, 2013 will be filed to the RoC through the electronic portal at <http://www.mca.gov.in>., at least (3) three working days prior from the date of opening of the Offer.

APPRAISING ENTITY

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

TYPE OF OFFER

The present Offer is considered to be 100% Fixed Price Offer.

GREEN SHOE OPTION

No green shoe option is contemplated under the Offer.

EXPERT OPINION

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Prospectus:

Our Company has received written consent dated February 01, 2025 from our Statutory and Peer Reviewed Auditors, M/s. M. Parashar & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 in respect of their (a) examination report dated April 18, 2025, on the Restated Financial Statements, and (b) report dated April 12, 2025 on the statement of special tax benefits.

Such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

CHANGES IN AUDITORS

Except as disclosed below, there has been no change in the Statutory Auditors of our company during the three years immediately preceding the date of this Draft Prospectus:

| Previous Auditor | | New Auditor | | Reason |
|--|---------------------|---|---------------------|---|
| Details of Previous Auditor | Date of cessation | Details of New Auditor | Date of Appointment | |
| M/s Payal Gada & Co., Chartered Accountants, S-15, Sej Plaza, 2 nd Floor, Near Nutan School, Marve Road, Malad (West), Mumbai- 400064, Maharashtra, India. Tel No.: +91 9820562075 Email: payal@payalgadaco.in / payal@sureshshahco.com Contact Person: CA Payal Gada Firm Registration No.: 148529W Membership No: 110424 | October 21, 2024 | M/s. M Parashar & Co., Chartered Accountants, 326, 3rd Floor, Laxmi Business Park, New Link Road, Andheri West, Mumbai- 400053, Maharashtra, India. Tel No.: +91 7229959406/ +91 9828523296 Email: mparasharco@outlook.com Contact Person: CA Amit Parashar Firm Registration No.: 110954C Membership No: 430317 Peer Review No: 015327 | October 25, 2024 | Appointment as the Previous Statutory Auditor is not Peer Reviewed. |

UNDERWRITING AGREEMENT

This Offer is 100% Underwritten by Smart Horizon Capital Advisors Private Limited (Formerly known as *Shreni Capital Advisors Private Limited*) in the capacity of Underwriter to the Offer.

Pursuant to the terms of the Underwriting Agreement dated March 21, 2025 the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being issued through this Offer:

| Details of the Underwriter | No. of Equity Shares Underwritten* | Amount Underwritten | % of total Offer size underwritten |
|---|------------------------------------|---------------------|------------------------------------|
| Smart Horizon Capital Advisors Private Limited (Formerly known as <i>Shreni Capital Advisors Private Limited</i>) B/908, Western Edge II, Kanakia Space, Behind Metro Mall, Off Western Express Highway, Magathane, Borivali East, Mumbai - 400066, Maharashtra, India Tel No.: 022 – 28706822 Investor Grievance E-mail: investor@shcapl.com Email: director@shcapl.com Website: www.shcapl.com Contact Person: Mr. Parth Shah SEBI Registration No.: INM000013183 | 55,00,000* | 7,700.00 Lakhs | 100% |

*Includes 2,80,000 Equity Shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account in order to claim compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations, as amended.

In accordance with Regulation 260(2) of the SEBI ICDR Regulations, this Offer has been 100% underwritten and shall not restrict to the minimum subscription level. Our Company shall ensure that the Lead Manager to the Offer have underwritten at least 15% of the total Offer Size. In the opinion of the Board of our Directors of our company, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full.

MARKET MAKER

Shreni Shares Limited

(Formerly known as *Shreni Shares Private Limited*)

Office No. 217, Hive 67 Icon, Poisar Gymkhana Road
Lokmanya Tilak Nagar Poisar, Near Raghuleela Mall,
Kandivali West, Mumbai - 400067, Maharashtra, India.

Tel: 022 - 20897022

Email: shrenisharespvtltd@yahoo.in

Website: www.shreni.in

Contact Person: Mr. Hitesh Punjani

SEBI Registration No.: INZ000268538

BSE Clearing No.: 6219

MM BSE Registration No.: SME MM0621909112018

DETAILS OF THE MARKET MAKING AGREEMENT

In accordance with Regulation 261 of the SEBI ICDR Regulations, we have entered into an agreement with the Lead Manager and the Market Maker (duly registered with BSE to fulfil the obligations of Market Making) dated March 21, 2025 to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this Offer.

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

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and buy quote) shall not be more than 10% or as specified by the Stock Exchange from time to time. Further, the Market Maker shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of BSE and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of ₹140/- per share the minimum lot size is 1,000 Equity Shares thus minimum depth of the quote shall be 1,000 until the same, would be revised by BSE.
4. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of market maker in our Company reaches to 25%. Or upper limit (Including the 5% of Equity Shares ought to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above 25% equity shares would not be taken into consideration of computing the threshold of 25%. As soon as the Shares of market maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
5. There shall be no exemption/threshold on downside. However, in the event the market maker exhausts his inventory through market making process, the concerned stock exchange may intimate the same to SEBI after due verification.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of the company will be placed in Special Pre-Open Session (SPOS) and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity shares on the Stock Exchange.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non- controllable reasons would be final.
8. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and BSE from time to time.
9. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
10. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on BSE SME Platform and market maker will remain present as per the guidelines mentioned under BSE and SEBI circulars.
12. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.
13. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Company, who shall then be responsible to appoint a replacement Market Maker.
14. In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Company to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of Regulation 261 of the SEBI ICDR Regulations. Further the Company reserve the right to appoint other Market Maker(s) either as a

replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time.

15. **Risk containment measures and monitoring for Market Maker:** BSE SME Platform will have all margins which are applicable on the Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
16. **Punitive Action in case of default by Market Maker:** BSE SME will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (issuing 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.
17. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for Offer size up to ₹250 Crores, the applicable price bands for the first day shall be:
 - In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.

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

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

| 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 | 7 |
| 4. | Above 100 | 6 |

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

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

20. The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI/ BSE from time to time.
21. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

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

(₹ in lakhs except share data)

| Sr. No. | Particulars | Aggregate Value at Face Value | Aggregate Value at Offer Price |
|-----------|---|-------------------------------|--------------------------------|
| A. | Authorized Share Capital | | |
| | 11,50,00,000 Equity Shares of face value of ₹10/- each | 11,500.00 | - |
| B. | Issued, Subscribed and Paid-Up Equity Capital before the Offer | | |
| | 1,58,58,009 Equity Shares of face value of ₹10/- each | 1,585.80 | - |
| C. | Present Offer in Terms of this Draft Prospectus | | |
| | Offer of 55,00,000 Equity Shares of face value of ₹10/- each ⁽¹⁾ | 550.00 | 7,700.00 |
| | Which Comprises of: | | |
| | Fresh Offer of 45,00,000 Equity Shares of face value of ₹10/- each | 450.00 | 6,300.00 |
| | Offer for Sale of 10,00,000 Equity Shares of face value of ₹10/- each | 100.00 | 1,400.00 |
| | Of which: | | |
| | 2,80,000 Equity Shares of face value of ₹10/- each at a price of ₹140/- per Equity Share reserved as Market Maker Portion | 28.00 | 392.00 |
| | Net Offer to Public of 52,20,000 Equity Shares of ₹10/- each at a price of ₹140/- per Equity Share to the Public | 522.00 | 7,308.00 |
| | Of which: | | |
| | Allocation of 26,10,000 Equity Shares to Individual Investors who applies for minimum application size | 261.00 | 3,654.00 |
| | Allocation of 26,10,000 Equity Shares to other than Individual Investors | 261.00 | 3,654.00 |
| D. | Issued, Subscribed and Paid-up Equity Capital after the Offer | | |
| | 2,03,58,009 Equity Shares of face value of ₹10/- each | 2035.80 | - |
| E. | Securities Premium Account | | |
| | Before the Offer | Nil | |
| | After the Offer | [●] | |

- 1) *The present Offer has been authorized by our Board pursuant to a resolution passed at its meeting held on March 03, 2025 and by our Shareholders pursuant to a Special Resolution passed at the Extra Ordinary General meeting held on March 05, 2025.*
- 2) *The Equity Shares being offered by the Selling Shareholders have been held for a period of at least one year immediately preceding the date of this Draft Prospectus and are eligible for being offered for sale pursuant to the Offer in terms of the SEBI ICDR Regulations. For details on authorisation of the Selling Shareholders in relation to their portion of Offered Shares, please refer to the chapters titled “The Offer” and “Other Regulatory and Statutory Disclosures” on pages 54 and 259 respectively.*
- 3) *Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Offer Size. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead 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 the date of Draft Prospectus, our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Changes in Authorized Share Capital

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

- The initial authorized share capital of ₹5,00,00,000 /- divided into 50,00,000 Equity Shares of ₹10/- each.
- The Authorized Share Capital was increased from ₹5,00,00,000 /- divided into 50,00,000 Equity Shares of ₹10/- each to ₹7,50,00,000 /- divided into 75,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated January 20, 2009.
- The Authorized Share Capital was increased from ₹7,50,00,000 /- divided into 75,00,000 Equity Shares of ₹10/- each to ₹1,15,00,00,000/- divided into 11,50,00,000 Equity Shares of ₹10/- each vide Shareholders' Resolution dated October 25, 2024.

2. Equity Share Capital History of our Company

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

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Nature of Consideration | Nature of Allotment | Cumulative No. of Equity Shares | Cumulative Paid-Up Equity Shares Capital (₹) | Cumulative Share Premium (₹) |
|--------------------|-------------------------------|----------------|-----------------|-------------------------|---|---------------------------------|--|------------------------------|
| Upon Incorporation | 1,00,003 | 10/- | 10/- | Cash | Subscription to MOA ⁽ⁱ⁾ | 1,00,003 | 10,00,030 | Nil |
| January 22, 2009 | 11,58,000 | 10/- | 10/- | Other than Cash | Takeover of proprietary firm i.e., M/s. Emmen Plastics ⁽ⁱⁱ⁾ | 12,58,003 | 1,25,80,030 | Nil |
| January 22, 2009 | 40,28,000 | 10/- | 10/- | Other than Cash | Takeover of partnership firm i.e., M/s. Bhavik Enterprises ⁽ⁱⁱⁱ⁾ | 52,86,003 | 5,28,60,030 | Nil |
| January 31, 2025 | 1,05,72,006 | 10/- | Nil | Other than Cash | Bonus Issue ^(iv) | 1,58,58,009 | 15,85,80,090 | Nil |

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

| Sr No | Name | No of Equity Shares |
|-------|------------------------------|---------------------|
| 1. | Mr. Mukesh Natverlal Thakkar | 50,000 |
| 2. | Mr. Bhavik Mukesh Thakkar | 17,500 |
| 3. | Ms. Purnima Mukesh Thakkar | 30,000 |
| 4. | Ms. Neha Bhavik Thakkar | 1 |
| 5. | Mr. Umesh Thakkar | 2,500 |
| 6. | Ms. Dhvani Mihir Tanna | 1 |
| 7. | Ms. Thakkar Vidhi | 1 |
| | Total | 1,00,003 |

(ii) Allotment of 11,58,000 Equity Shares pursuant to takeover of Proprietary Firm i.e., M/s. Emmen Plastics, as under:

| Sr No | Name | No of Equity Shares |
|-------|------------------------------|---------------------|
| 1. | Mr. Mukesh Natverlal Thakkar | 11,58,000 |
| | Total | 11,58,000 |

(iii) Allotment of 40,28,000 Equity Shares pursuant to takeover of partnership firm i.e., M/s. Bhavik Enterprises, as under:

| Sr No | Name | No of Equity Shares |
|-------|----------------------------|---------------------|
| 1. | Mr. Bhavik Mukesh Thakkar | 8,08,000 |
| 2. | Ms. Purnima Mukesh Thakkar | 29,98,000 |
| 3. | Mr. Umesh Thakkar | 2,22,000 |
| | Total | 40,28,000 |

(iv) Bonus Issue of 1,05,72,006 Equity Shares of face value of ₹10/- each in the ratio of 2:1 i.e., 2 Bonus Equity Shares for each Equity Shares held, allotted on January 31, 2025:

| Sr No | Name | No of Equity Shares |
|-------|------------------------------|---------------------|
| 1. | Mr. Mukesh Natverlal Thakkar | 28,16,000 |
| 2. | Mr. Bhavik Mukesh Thakkar | 16,51,000 |
| 3. | Ms. Purnima Mukesh Thakkar | 60,56,000 |
| 4. | Ms. Neha Bhavik Thakkar | 2 |
| 5. | Mr. Umesh Thakkar | 49,000 |
| 6. | Ms. Dhvani Mihir Tanna | 2 |
| 7. | Ms. Thakkar Vidhi | 2 |
| | Total | 1,05,72,006 |

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

| Date of Allotment | No. of Equity Shares | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees | No. of Shares Allotted |
|-------------------|----------------------|----------------|-----------------|--|--|------------------------------|------------------------|
| January 22, 2009 | 11,58,000 | 10/- | 10/- | Takeover of Proprietary Firm i.e., M/s. Emmen Plastics | Expansion of capital base of our Company | Mr. Mukesh Natverlal Thakkar | 11,58,000 |
| January 22, 2009 | 40,28,000 | 10/- | 10/- | Takeover of Partnership Firm i.e., M/s. Bhavik Enterprises | Expansion of capital base of our Company | Mr. Bhavik Mukesh Thakkar | 8,08,000 |
| | | | | | | Ms. Purnima Mukesh Thakkar | 29,98,000 |
| | | | | | | Mr. Umesh Thakkar | 2,22,000 |
| January 31, 2025 | 1,05,72,006 | 10/- | - | Bonus Issue | Capitalization of Reserve & Surplus | Mr. Mukesh Natverlal Thakkar | 28,16,000 |
| | | | | | | Mr. Bhavik Mukesh Thakkar | 16,51,000 |
| | | | | | | Ms. Purnima Mukesh Thakkar | 60,56,000 |
| | | | | | | Ms. Neha Bhavik Thakkar | 2 |
| | | | | | | Mr. Umesh Thakkar | 49,000 |
| | | | | | | Ms. Dhvani Mihir Tanna | 2 |
| | | | | | | Ms. Thakkar Vidhi | 2 |

4. No equity shares have been allotted in terms of any scheme approved under sections 230-234 of the Companies Act, 2013.
5. Our Company has not issued any shares pursuant to an Employee Stock Option Scheme/ Employee Stock Purchase Scheme for our employees.

6. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
7. Except as disclosed below, we have not issued any Equity Shares at price below Offer price within last one year from the date of this Draft Prospectus:

| Date of Allotment | No. of Equity Shares | Face Value (₹) | Offer Price (₹) | Reasons of Allotment | Benefits accrued to company | Allottees | No. of Shares Allotted |
|-------------------|----------------------|----------------|-----------------|----------------------|-------------------------------------|------------------------------|------------------------|
| January 31, 2025 | 1,05,72,006 | 10/- | - | Bonus Issue | Capitalization of Reserve & Surplus | Mr. Mukesh Natverlal Thakkar | 28,16,000 |
| | | | | | | Mr. Bhavik Mukesh Thakkar | 16,51,000 |
| | | | | | | Ms. Purnima Mukesh Thakkar | 60,56,000 |
| | | | | | | Ms. Neha Bhavik Thakkar | 2 |
| | | | | | | Mr. Umesh Thakkar | 49,000 |
| | | | | | | Ms. Dhvani Mihir Tanna | 2 |
| | | | | | | Ms. Thakkar Vidhi | 2 |

8. Shareholding Pattern of our Company

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

| Category (I) | Category of shareholder (II) | Nos. of shareholders (III) | No. of fully paid-up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) = (IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX)* | | | No. of Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding as a % assuming full convertible securities (as a percentage of diluted share capital) (XI)=(VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV)* |
|--------------|------------------------------|----------------------------|--|--|---|---|---|--|-------|-------------|---|---|----------------------------------|--------|---|--------|--|
| | | | | | | | | Class-Equity | Class | Total | | | Total as a % of (A+B+C) | No (a) | As a % of total Shares held (b) | No (a) | |
| A | Promoters & Promoter group | 6 | 1,58,58,006 | - | - | 1,58,58,006 | 100.00% | 1,58,58,006 | - | 1,58,58,006 | 100.00% | - | - | - | - | - | 1,58,58,006 |
| B | Public | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C | Non - Promoters Non - Public | 1 | 3 | - | - | 3 | Negligible | 3 | - | 3 | Negligible | - | - | - | - | - | 3 |

| 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 | Class | Total | | | Total as a % of (A+B+C) | No (a) | As a % of total Shares held (b) | No (a) | |
| C 1 | Shares underlying DRs | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| C 2 | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 7 | 1,58,58,009 | - | - | 1,58,58,009 | 100.00% | 1,58,58,009 | - | 1,58,58,009 | 100.00% | - | - | - | - | - | 1,58,58,009 |

9. Set forth below is a list of Public Shareholder of our Company as on the date of this Draft Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre - offer Equity Share Capital (%) |
|---------|-------------------------|-------------------------|--|
| 1. | Ms. Thakkar Vidhi | 3 | Negligible |
| | Total | 3 | Negligible |

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

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre- Offer Equity Share Capital (%) |
|---------|------------------------------|-------------------------|---|
| 1. | Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% |
| 2. | Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% |
| 3. | Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% |
| | Total | 1,57,84,500 | 99.54% |

11. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company two years prior to this Draft Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of then pre- Offer Equity Share Capital (%) |
|---------|------------------------------|-------------------------|--|
| 1. | Ms. Purnima M Thakkar | 30,28,000 | 57.28% |
| 2. | Mr. Mukesh Natverlal Thakkar | 12,08,000 | 22.85% |
| 3. | Mr. Bhavik Mukesh Thakkar | 8,25,500 | 15.62% |
| 4. | Mr. Umesh Thakkar | 2,24,500 | 4.25% |
| | Total | 52,86,000 | 100.00% |

12. List of Shareholders holding 1% or more of the paid-up Share Capital of our Company as of one year prior to the date of this Draft Prospectus:

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre- Offer Equity Share Capital (%) |
|---------|------------------------------|-------------------------|---|
| | Ms. Purnima Mukesh Thakkar | 30,28,000 | 57.28% |
| | Mr. Mukesh Natverlal Thakkar | 12,08,000 | 22.85% |
| | Mr. Bhavik Mukesh Thakkar | 8,25,500 | 15.62% |
| | Mr. Umesh Thakkar | 2,24,500 | 4.25% |
| | Total | 52,86,000 | 100.00% |

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

| Sr. No. | Name of the Shareholder | Number of Equity shares | Percentage of the pre- Offer Equity Share Capital (%) |
|---------|------------------------------|-------------------------|---|
| 1. | Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% |
| 2. | Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% |
| 3. | Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% |
| | Total | 1,57,84,500 | 99.54% |

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

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

16. Shareholding of our Promoters

As on the date of this Draft Prospectus, our Promoters hold 99.54% of the pre- Offer, subscribed and paid-up Equity Share capital of our Company.

Build-up of the shareholding of our Promoters in our Company since incorporation:

| Date of Allotment / Transfer | Nature of Offer / Transaction | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition / Transfer Price (₹) | % of Pre- Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|-------------------------------------|--|-------------------------|----------------------|---------------------------------|--------|----------------------------------|--------------------------------------|--------------------------------------|
| Mr. Mukesh Natverlal Thakkar | | | | | | | | |
| Upon Incorporation | Subscription to MOA | Cash | 50,000 | 50,000 | 10/- | 10/- | 0.32% | 0.25% |
| January 22, 2009 | Takeover of Proprietary Firm i.e., M/s. Emmen Plastics | Other than cash | 11,58,000 | 12,08,000 | 10/- | 10/- | 7.30% | 4.21% |
| January 10, 2025 | Gift from Mr. Umesh Thakkar | Other than cash | 2,00,000 | 14,08,000 | 10/- | Nil | 1.26% | 0.98% |
| January 31, 2025 | Bonus Issue | Other than cash | 28,16,000 | 42,24,000 | 10/- | Nil | 17.76% | 13.83% |
| Total | | | 42,24,000 | | | | 26.64% | 19.27% |

| Date of Allotment / Transfer | Nature of Offer / Transaction | Nature of Consideration | No. of Equity Shares | Cumulative No. of Equity Shares | FV (₹) | Acquisition / Transfer Price (₹) | % of Pre-Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|-----------------------------------|--|-------------------------|----------------------|---------------------------------|--------|----------------------------------|-------------------------------------|--------------------------------------|
| Mr. Bhavik Mukesh Thakkar | | | | | | | | |
| Upon Incorporation | Subscription to MOA | Cash | 17,500 | 17,500 | 10/- | 10/- | 0.11% | 0.09% |
| January 22, 2009 | Takeover of Partnership Firm i.e., M/s. Bhavik Enterprises | Other than cash | 8,08,000 | 8,25,500 | 10/- | 10/- | 5.10% | 2.50% |
| January 31, 2025 | Bonus Issue | Other than cash | 16,51,000 | 24,76,500 | 10/- | Nil | 10.41% | 8.11% |
| Total | | | 24,76,500 | | | | 15.62% | 10.69% |
| Ms. Purnima Mukesh Thakkar | | | | | | | | |
| Upon Incorporation | Subscription to MOA | Cash | 30,000 | 30,000 | 10/- | 10/- | 0.19% | 0.15% |
| January 22, 2009 | Takeover of Partnership Firm i.e., M/s. Bhavik Enterprises | Other than cash | 29,98,000 | 30,28,000 | 10/- | 10/- | 18.91% | 12.76% |
| January 31, 2025 | Bonus Issue | Other than cash | 60,56,000 | 90,84,000 | 10/- | Nil | 38.19% | 29.75% |
| Total | | | 90,84,000 | | | | 57.28% | 42.66% |

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. Further, our Promoters have not pledged any of the Equity Shares that they hold in our Company.

17. Pre-Offer and Post-Offer Shareholding of our Promoters and Promoter Group

| Category of Promoter | Pre-Offer | | Post-Offer | |
|------------------------------|--------------------|-------------------------------------|--------------------|--------------------------------------|
| | No. of Shares | % of Pre-Offer Equity Share Capital | No. of Shares | % of Post-Offer Equity Share Capital |
| Promoters | | | | |
| Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% | 39,24,000 | 19.27% |
| Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% | 21,76,500 | 10.69% |
| Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% | 86,84,000 | 42.66% |
| Promoters Group | | | | |
| Ms. Neha Bhavik Thakkar | 3 | Negligible | 3 | Negligible |
| Mr. Umesh Thakkar | 73,500 | 0.46% | 73,500 | 0.36% |
| Ms. Dhvani Mihir Tanna | 3 | Negligible | 3 | Negligible |
| Total | 1,58,58,006 | 99.99% | 1,48,58,006 | 72.98% |

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

| Name | Designation | No. of Equity Shares held | % of Pre-Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|------------------------------|----------------------------------|---------------------------|-------------------------------------|--------------------------------------|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole-time Director | 42,24,000 | 26.64% | 19.27% |
| Mr. Bhavik Mukesh Thakkar | Managing Director | 24,76,500 | 15.62% | 10.69% |

| Name | Designation | No. of Equity Shares held | % of Pre-Offer Equity Share Capital | % of Post Offer Equity Share Capital |
|----------------------------|--------------------|---------------------------|-------------------------------------|--------------------------------------|
| Ms. Purnima Mukesh Thakkar | Executive Director | 90,84,000 | 57.28% | 42.66% |

19. Except as disclosed below, there were no equity shares purchased/sold by the Promoter(s) and Promoter Group, Directors of our Company and their relatives during last six months from the date of this Draft Prospectus.

| Sr. No. | Name of Shareholder | Date of Transaction | Promoter/ Promoter Group/ Director | Number of Equity Shares Subscribed to/ Acquired | Number of Equity Shares Sold | Subscribed/ Acquired/ Transferred |
|---------|------------------------------|---------------------|--|---|------------------------------|---|
| 1. | Mr. Mukesh Natverlal Thakkar | January 10, 2025 | Promoter, Chairman cum Whole-time Director | 2,00,000 | - | Acquired from Mr. Umesh Thakkar as gift |

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

21. Promoters' Contribution and Lock-in details

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

Pursuant to the Regulation 236 and 238 of SEBI ICDR Regulations, an aggregate of at least 20% of the post Offer Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment in this Offer and the Promoters' shareholding in excess of 20% of the post Offer Equity Share capital of our Company shall be locked in as per Regulation 238(b) of the SEBI ICDR (Amendment) Regulations, 2025.

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

Details of the Equity Shares forming part of Promoters' Contribution and their lock -in details are as follows:

| Name of Promoters | Date of Allotment/Acquisition & when made fully paid up | No of Equity shares | No of Equity shares locked in | Face Value (in ₹) | Offer Price (in ₹) | Nature of Allotment | % of Pre Offer Paid up Capital | % of Post Offer Paid up Capital | Lockin Period |
|-------------------|---|---------------------|-------------------------------|-------------------|--------------------|---------------------|--------------------------------|---------------------------------|---------------|
| [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] | [•] |
| Total | | | [•] | | | | [•] | [•] | |

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

- Equity Shares acquired three years preceding the date of this Draft Prospectus for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or unrealized profits or against equity shares which are otherwise ineligible for computation of Promoters' Contribution.
- The Equity Shares acquired during the year preceding the date of this Draft Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in this Offer is not part of the minimum promoter's contribution.

- The Equity Shares held by the Promoters and offered for minimum 20% Promoter's Contribution are not subject to any pledge or any other form of encumbrances.
- Specific written consent will be obtained from the Promoters for inclusion of [●] Equity Shares for ensuring lock in of three years to the extent of minimum 20% of post offer Paid-up Equity Share Capital from the date of allotment in the public Offer.
- The minimum Promoters' Contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI ICDR Regulations.
- We further confirm that our Promoters' Contribution of minimum 20% of the Post Offer Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies registered with Insurance Regulatory and Development Authority of India or any non-individual public shareholder holding at least five per cent of the post-offer capital or any entity (individual or non-individual) forming part of promoter group other than the promoter(s).
- Our Promoters are in compliance with the provision of lock-in shares as per SEBI ICDR Regulations.

“It is clarified that the price per share for determining securities ineligible for minimum promoters' contribution, shall be determined after adjusting the same for corporate actions such as share split, bonus issue, etc. undertaken by the issuer.”

Equity Shares held by promoters' other than Minimum Promoters' Contribution

Lock in of Equity Shares held by Promoters in excess of minimum promoters' contribution as per Regulation 238 of the SEBI ICDR Regulations and amendments thereto. Pursuant to Regulation 238(b) of the SEBI ICDR (Amendment) Regulations, 2025, the Equity Shares held by our Promoters and promoters' holding in excess of minimum promoters' contribution shall be locked as follows:

- a) Fifty percent of promoters' holding in excess of minimum promoters' contribution constituting [●] equity shares shall be locked in for a period of two years from the date of allotment in the initial public offer; and
- b) Remaining fifty percent of promoters' holding in excess of minimum promoters' contribution constituting [●] equity shares shall be locked in for a period of one year from the date of allotment in the initial public offer.

Details of Equity Shares held by persons other than the Promoters

Lock in of Equity Shares held by persons other than promoters as per Regulation 239 of the SEBI ICDR Regulations and amendment thereto. The entire pre-offer capital held by persons other than the promoters shall be locked-in for a period of one year from the date of allotment in the initial public offer, i.e. pre-Offer of [●] Equity Shares shall be subject to lock-in. However, it should be noted that the Offered Shares which will be transferred by the Selling Shareholders pursuant to the Offer for Sale shall not be subject to lock-in.

Inscription or recording of non-transferability

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

Pledge of Locked in Equity Shares

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

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

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

Transferability of Locked in Equity Shares

- a) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to and amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
 - b) Pursuant to Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI ICDR Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI SAST Regulations as applicable.
22. Neither the Company, nor it's Promoters, Directors or the Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
 23. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.
 24. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
 25. As on date of this Draft Prospectus, there are no outstanding ESOP's, stock appreciation right, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOPs till date. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
 26. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under "Basis of Allotment" in the chapter titled "Offer Procedure" beginning on page 285 this Draft Prospectus. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 253 (1) of SEBI ICDR Regulations, as amended from time to time.
 27. An over-subscription to the extent of 10% of the Net Offer 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 Offer. Consequently, the actual allotment may go up by a maximum of 10% of the Net Offer, as a result of which, the post Offer paid up capital after the Offer would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Offer paid-up capital is locked in.
 28. Subject to valid applications being received at or above the Offer Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
 29. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.
 30. We have 7 Shareholders as on the date of filing of this Draft Prospectus.
 31. As per RBI regulations, OCBs are not allowed to participate in this Offer.
 32. Our Company has not raised any bridge loans.
 33. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.

34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Offer.
35. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
36. Our Company shall also ensure that any proposed pre-IPO placement disclosed in the draft offer document shall be reported to the stock exchange(s), within twenty-four hours of such pre-IPO transactions (in part or in entirety) – Not Applicable.
37. Our Promoters and Promoter Group will not participate in the Offer, except to the extent of the Offer for Sale by the Selling Shareholders.
38. There are no safety net arrangements for this Public Offer.
39. Our Company has not undertaken any arrangements (acquisition, amalgamation and merger, slump sale, existing or proposed both) in the last 5 financial years.
40. Our Company has not issued any Compulsory Convertible Preference Share as on the date of this Draft Prospectus:
41. Our Company has not issued any Debentures whether CCD's or NCD's as on the date of this Draft Prospectus:
42. Our Company is in compliance with the provisions of The Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of this Draft Prospectus.
43. None of the public shareholders/investors of our Company is directly/indirectly related with our Lead Manager or their associates.
44. The Lead Manager is not Associate with our Company within the meaning of Regulation 21A(1) of the SEBI Merchant Bankers Regulations read with Regulation 23(3) of the SEBI ICDR Regulations.
45. The Equity Shares of our company are in the dematerialization form.

SECTION V – PARTICULARS OF THE OFFER

OBJECTS OF THE OFFER

This Offer comprises of Fresh Offer of 45,00,000 Equity Shares by our Company aggregating to ₹6,300 Lakhs and an Offer for Sale of 10,00,000 Equity Shares by the Selling Shareholders aggregating to ₹1,400 Lakhs.

OFFER FOR SALE

Our Company will not receive any proceeds received from the Offer for Sale by the Selling Shareholders. However, except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares offered and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale. The proceeds of the Offer for Sale, shall be received by the Selling Shareholders to their respective portion of the proceeds from the Offer for Sale in proportion of the Equity Shares offered by the respective Selling Shareholders as part of the Offer for Sale and, will not form part of the Net Proceeds.

FRESH OFFER

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

1. Funding Working Capital Requirements of our Company; and
3. General corporate purposes.

(Collectively, referred to herein as the “*Objects of the Offer*”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Offer. In addition, our Company expects to receive the benefits of listing of Equity Shares on the SME Platform of BSE (BSE SME) including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

FRESH OFFER PROCEEDS

The details of the proceeds of the Offer are set forth in the table below:

(₹ in Lakhs)

| Particulars | Amount* |
|---|----------|
| Gross Proceeds of the Fresh Offer | 6,300.00 |
| Less: Offer related Expenses in relation to Fresh Offer (only those apportioned to our Company) *(1) | [•] |
| Net Proceeds of the Fresh Offer | [•] |

*To be updated at the time of filing Prospectus with RoC.

(1) The Offer related expenses are estimated expenses and subject to change.

UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be utilised in the manner set out in the following table:

(₹ in Lakhs)

| Sr. No | Particulars | Estimated Amount* | % of Gross Proceeds | % of Net Proceeds* |
|--------|---|-------------------|---------------------|--------------------|
| 1. | Funding Working Capital Requirements of our Company | 4,750.00 | 75.40 | [•] |
| 2. | General corporate purposes*# | [•] | [•] | [•] |
| | Total* | [•] | [•] | [•] |

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

#The amount to be utilised for general corporate purposes will not exceed fifteen percent of the amount being raised by our Company or ₹10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025.

PROPOSED SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF THE NET PROCEEDS

The Net Proceeds of the Fresh Offer (“Net Proceeds”) are currently expected to be deployed in accordance with the schedule as stated below:

(₹ in lakhs)

| Sr. No | Particulars | Estimated Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2025-26 |
|--------|---|---|--|
| 1. | Funding Working Capital Requirements of our Company | 4,750.00 | 4,750.00 |
| 2. | General corporate purposes*# | [●] | [●] |
| | Total | [●] | [●] |

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

The amount to be utilised for general corporate purposes will not exceed fifteen percent of the amount being raised by our Company or ₹10 Crores, whichever is less in accordance with Regulation 230(2) of the SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025.

MEANS OF FINANCE

The deployment of funds indicated above is based on management estimates, current circumstances of our business and prevailing market conditions, all of which are subject to change. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. We may have to revise our funding requirements and deployment from time to time on account of various factors, such as financial and market conditions, competition, business and strategy and interest/ exchange rate fluctuations and other external factors, which may not be within the control of our management. In the event that estimated utilization out of the Net Proceeds in a Fiscal Year is not completely met, the same shall be utilized in the next Fiscal Year. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law.

Our Company proposes to deploy the entire Net Proceeds towards the aforementioned Objects during Fiscal 2025-2026. In the event that the estimated utilization of the Net Proceeds in scheduled fiscal years is not completely met, due to the reasons stated above, the same shall be utilized in the next fiscal year, as may be determined by the Board, in accordance with applicable laws. If the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes, to the extent that the total amount to be utilized towards general corporate purposes is within the permissible limits in accordance with the SEBI ICDR Regulations. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Offer, subject to compliance with applicable laws.

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds, internal accruals of our Company. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance 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.

For further details on the risks involved in our proposed fund utilization as well as executing our business strategies, please refer the section titled “Risk Factors” on page 28 of this Draft Prospectus.

DETAILS OF THE OBJECTS OF THE OFFER

1. Funding Working Capital Requirements of our Company

Our business is working capital intensive. We finance our working capital requirement from our internal accruals. Considering the existing and future growth, our Company requires additional working capital for funding its incremental working capital requirements and unlocking the internal accruals deployed in working capital. The funding of the incremental working capital requirements will lead to a consequent increase in our profitability, ability to utilize internal accruals for growth opportunities and achieving the proposed targets as per our business plan.

Requirement of Working Capital:

Our Company is engaged in trading of polymers primarily in Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries such as packaging, infrastructure, and agriculture. We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base.

Our comprehensive product portfolio under Polyethylene (PE) includes LLDPE, LDPE, HDPE and MLLDPE. Under Polypropylene (PP), our product portfolio consists of Homo polymer, Impact Co-polymer and Random Co-polymer. Our company's business model emphasizes "Stock & Sale" catering to small, medium and large customers as per their requirement. We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacturer of plastic product. These end use customers include manufacturers of pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP Films, liners, EPE Foam, woven sack bags, spun bond nonwoven fabric, paint pails, crates, houseware products, suitcases, thin wall containers.

All below mentioned factors collectively creates an environment that can lead to substantial changes in the company's working capital cycle and its overall working capital requirements:

- **Operational Challenges:** Our company operates in the trading sector, importing polymers from international suppliers on CIF (cost, insurance and freight) basis. The imported goods are typically shipped to India, with an average shipment transit time of 10-15 days. Our payments to creditors are 45-60 days from bill of lading whereas our payment terms to customers is 30-40 days on an average. Being the authorized distributor and to serve the consumers consistently, we need to maintain average inventory of 30-35 days. As a result, there exists a significant working capital gap that we must bridge to maintain smooth operations and ensure liquidity.
- **Plant Shutdown and delay in Shipment:** Our Company faces distinct challenges due to the plant shutdowns, delays in shipment due to non-availability of vessel, sudden spike in demand. To serve the customers regularly, we have to stock excess inventory for those months. Failure to do so can result in customers moving away to competitors' product.
- **Financial constraints and impact on growth:** Historically, the company has relied on its own capital to finance this working capital gap. While this approach has allowed us to manage our operations, it has also led to stagnation in sales growth due to the limited availability of funds for expansion. As a result, our growth has plateaued, and we are unable to fully capitalize on market opportunities. For the past two fiscal years, our turnover has been approximately ₹490.00 crores (without GST), and we expect to maintain similar performance in FY 2024-25 of turnover of ₹528.00 crores (without GST unaudited figures). However, the lack of sufficient working capital has hindered our ability to expand operations and increase sales.
- **Strategic expansion plans:** We are actively looking to expand our operations in FY 2025-26. Our strategy for expanding our domestic markets revolves around strengthening our existing operations and entering new regions. We focus on leveraging our understanding of the polymers industry to identify emerging opportunities in the market. We aim to increase our market share by expanding our distribution footprint. This includes optimizing supply chains, and meeting the growing demand for polymers across India. To achieve this, it is crucial that we secure additional funding to support increased working capital requirements. Our company plans to utilize the proceeds from an Initial Public Offering (IPO) to raise the necessary funds for expansion.

Basis of estimation of incremental working capital requirement:

Our Company proposes to utilize ₹4,750.00 Lakhs of the Net Proceeds in Fiscal 2025 – 2026 towards our Company's working capital requirements. The balance portion of our Company's working capital requirement shall be met from the internal accruals.

The incremental and proposed working capital requirements, as approved by the Board pursuant to a resolution dated April 18, 2025 and key assumptions with respect to the determination of the same are mentioned below. Our Company's composition of working capital as on December 31, 2024 and as at March 31, 2024, March 31, 2023 and March 31, 2022 on the basis of audited financial statements and expected working capital requirements for Fiscal 2025 (*unaudited figures*) and Fiscal 2026 are as set out in the table below*:

| Particulars | 2021-22 | 2022-23 | 2023-24 | December 31, 2024 | 2024-25 | 2025-26 |
|-----------------------------|----------|----------|----------|-------------------|-----------|-----------|
| | Audited | Audited | Audited | Audited | Unaudited | Estimated |
| Current assets | | | | | | |
| Inventories | 2,585.91 | 4,449.23 | 2,798.75 | 6,821.99 | 6,200.74 | 10,600.00 |
| Trade Receivables | 3,643.54 | 4,077.83 | 3,401.68 | 5,737.05 | 6,024.34 | 10,000.00 |
| Short Term Loans & Advances | 164.62 | 109.90 | 352.78 | 1,050.03 | 300.00 | 350.00 |
| Other Current Assets | 30.36 | 41.58 | 77.57 | 6.63 | 15.00 | 25.00 |

(₹ in Lakhs)

| | | | | | | |
|--------------------------------------|-----------------|-----------------|-----------------|------------------|------------------|------------------|
| Total Current Assets (I) | 6,424.43 | 8,678.54 | 6,630.78 | 13,615.70 | 12,540.11 | 20,975.00 |
| | | | | | | |
| Current Liabilities | | | | | | |
| Trade Payables | 4,771.32 | 6,955.70 | 4,047.34 | 6,740.37 | 6,942.05 | 10,028.22 |
| Other Current Liabilities | 44.89 | 112.10 | 246.42 | 51.20 | 675.28 | 885.00 |
| Short Term Provisions | 928.23 | 589.14 | 336.09 | 37.61 | 446.80 | 500.00 |
| Current Liabilities (II) | 5,744.44 | 7,656.94 | 4,629.85 | 6,829.19 | 8,064.13 | 11,413.22 |
| | | | | | | |
| Total WC Gap (III)=[(I)-(II)] | 679.99 | 1,021.60 | 2,000.93 | 6786.51 | 4,475.98 | 9,561.78 |
| | | | | | | |
| ST Borrowings | - | - | - | - | - | - |
| IPO Fund | - | - | - | - | - | 4,750.00 |
| Internal accrual | 679.99 | 1,021.60 | 2,000.93 | 6786.51 | 4,475.98 | 4,811.78 |

As certified by our Auditors, by way of their certificate dated April 18, 2025.

*Figures of Audited financials have been regrouped for better comparability.

Working capital Days:

| Particulars | 2021-22 | 2022-23 | 2023-24 | 2024-25 | 2025-26 |
|--|----------------|----------------|----------------|----------------|----------------|
| Average Inventory Turnover Days | 35 | 27 | 27 | 31 | 37 |
| Average Trade Receivable Turnover Days | 42 | 29 | 28 | 33 | 35 |
| Average Trade Payable Turnover Days | 60 | 45 | 41 | 38 | 38 |

Notes:

1. Average Inventory holding days is calculated by dividing 365 by Average Inventory Turnover ratio. Average Inventory Turnover ratio is calculated by dividing Cost of Goods Sold and Goods in transit by Average Inventory.
2. Average Trade Receivable holding days is calculated by dividing 365 by Average Trade Receivables Turnover ratio. Average Trade Receivables Turnover ratio is calculated by dividing Revenue from Operations by Average Trade Receivables.
3. Average Trade Payable holding days is calculated by dividing 365 by Average Trade Payables Turnover ratio. Average Trade Receivables Turnover ratio is calculated by dividing Cost of Goods Sold and Goods in transit by Average Trade Payables.

Key Justifications:

| | |
|-------------------------|---|
| Inventory | <p>Our company operates in the trading business, importing goods from foreign suppliers on an order basis via ocean freight, with shipments typically taking 10-15 days to arrive in India. Thereafter another 7 days is required to clear from customs department and reach our depots / warehouses. Upon arrival at our warehouses, we require an additional 10-15 days to sell the goods to customers, and thus we have to maintain inventory for 30-35 days to ensure product availability. Historically, the company has maintained an average inventory turnover period of 30-35 days, and for FY 2026, we expect this to remain stable at the same level.</p> <p>Recently, in FY 2024-25 the Ministry of Chemicals and Fertilizers (Department of Chemicals and Petrochemicals) after consulting the Bureau of Indian Standards to make BIS certification mandatory for manufacturers in India and exporters on Polypropylene (PP) materials for moulding and extrusion. This attracted certification requirement on our suppliers, prompting our company to increase its inventory levels to ensure an uninterrupted supply to its customer.</p> <p>This strategic move was aimed at mitigating potential supply chain disruptions and ensuring that the company could continue to meet customer demand without delays. This overall inventory management strategy helps balance the supply chain's lead times while meeting customer demand efficiently in FY 2024-25.</p> |
| Trade Receivable | To attract customers, the company provides a credit period ranging from 30 to 40 days and has historically maintained trade receivable days around this range at 28 to 42 days. For FY 2026, we anticipate trade receivable days will remain steady at same level. These credit terms are aimed at |

| | |
|--------------------------------------|--|
| | supporting the company's growth by offering customers more flexible payment options, thereby driving higher sales and expanding operations. |
| Trade Payables | Historically, the company has received trade credit period ranging from 45 to 60 days from its suppliers. In FY 2024, trade payable days were 41, and in FY 2025, they reduced to 37 days because company had to prepay some amounts as it had exhausted its credit limit allowed by the supplier. For FY 2026, the company expects trade payable days to remain stable at same level, maintaining similar credit terms with suppliers. This consistency will help the company strengthen its relationships with suppliers, ensuring favourable terms for future purchases and supporting a stable and efficient supply chain. |
| Short term loans and Advances | Short-term loans and advances, including customs duty receivables and inland letters of credit (LC), are projected to remain at around ₹350 lakhs in FY 2026, consistent with the company's growth and operational needs. This level of short-term financing is in line with the company's expanding business activities and supports the smooth flow of trade and working capital requirements. |
| Other Current Assets | Other current assets, which include interest accrued but not due, are expected to grow in line with the company's business expansion. As the business grows, this increase will correspond with higher financial activities and investments, ensuring that the company's asset base remains aligned with its overall growth trajectory. |
| Other Current Liabilities | Other current liabilities, including statutory dues payable, are expected to increase in line with the company's business growth. As the business expands, these liabilities will grow proportionally, reflecting the higher operational scale and the corresponding rise in regulatory and compliance obligations. |
| Short Term Provisions | Short-term provisions, including provisions for gratuity, income tax, and other taxes payable, are expected to grow in alignment with the company's business expansion. As the company's operations increase, these provisions will rise proportionally, reflecting the growth in employee-related liabilities and tax obligations. |

Benefits of IPO Funding

Enhanced working capital: The IPO proceeds will provide the company with the liquidity required to bridge the current working capital gap. This will enable us to manage cash flows more effectively, improving our ability to meet supplier payments and customer demands without relying on internal funds.

Boost to sales growth: With sufficient working capital, the company will be able to increase its inventory levels, negotiate better terms with suppliers, and fulfil customer orders more efficiently. This will help unlock sales growth and mitigate the stagnation we have faced in recent years.

Operational expansion: The additional funds will also enable the company to invest in expanding our operational capacity, which is vital for achieving the growth targets set for FY 2025-26.

2. General Corporate Purpose

Our management, in accordance with the policies of our Board and subject to the applicability of laws, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Fresh Offer proceeds aggregating ₹ [●] Lakhs towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses, initial development costs for projects other than the identified projects, and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

We confirm that any offer related expenses shall not be considered as a part of General Corporate Purpose. Further, we confirm that the amount for general corporate purposes, as mentioned in this Draft Prospectus, shall not exceed fifteen percent of the amount being raised by our Company or ₹10 Crores, whichever is less.

ESTIMATED OFFER RELATED EXPENSES

Except for the listing fees which shall be solely borne by our Company, all offer expenses will be shared, upon successful completion of the Offer, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Offer and the offered shares sold by the Selling Shareholders in the Offer for Sale.

The total expenses for this Offer are estimated to be approximately ₹[●] Lakhs which is [●] % of the Offer Size. All the Offer related expenses shall be proportionately met out from proceeds of the Offer as per applicable laws. The expenses of the Offer include, amongst others, listing fees, selling commission, fees payable to the LM, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing and trading of the Equity Shares on the Stock Exchange. The break-up of the same is as follows:

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

| Particulars | Amount (₹ in Lakhs) * | As a % of Estimates Offer Expenses* | As a % of Offer Size* |
|---|--------------------------|---|--------------------------|
| Lead Manager fees including underwriting commission | [●] | [●] | [●] |
| Brokerage, selling, commission and upload fees | [●] | [●] | [●] |
| Registrar to the Offer | [●] | [●] | [●] |
| Legal Advisors | [●] | [●] | [●] |
| Advertising and Marketing expenses | [●] | [●] | [●] |
| Regulators including stock exchanges | [●] | [●] | [●] |
| Printing and distribution of offer stationery | [●] | [●] | [●] |
| Others, if any (market making, depositories, marketing fees, secretarial, peer review etc.) | [●] | [●] | [●] |
| Total | [●] | [●] | [●] |

* To be incorporated in the Prospectus to be filed with RoC.

The fund deployed out of internal accruals up to [●] is ₹ [●] Lakhs towards offer expenses vide certificate dated [●] having UDIN: [●] received from [●], Chartered Accountants and the same will be recouped out of offer expenses.

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

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

Subject to applicable law, other than the listing fees, all costs, fees and expenses with respect to the Offer will be shared amongst our Company and the Selling Shareholders, on a pro-rata basis, in proportion to the number of Equity Shares, allotted by our Company in the Fresh Offer and sold by the Selling Shareholders in the Offer for Sale, upon the successful completion of the Offer. Upon commencement of listing and trading of the Equity Shares on the Stock Exchange pursuant to the Offer, the Selling Shareholders shall reimburse the Company for any expenses in relation to the Offer paid by our Company on behalf of the Selling Shareholders. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses will be borne by our Company. The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

APPRAISAL

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 Offer are currently based on the 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 Draft Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

MONITORING UTILIZATION OF FUNDS

In accordance with Regulation 262 of the SEBI (ICDR) Regulations and amendments thereto, our Company shall appoint a Monitoring Agency for monitoring the utilisation of Fresh Offer prior to the filing of the Prospectus with the RoC, as the proposed Fresh Offer exceeds ₹5,000 Lakhs. Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Fresh Offer Proceeds and the Monitoring Agency shall submit the report required under Regulation 262(2) of the SEBI ICDR Regulations and amendments thereto, on a quarterly basis, until such time as the Fresh Offer Proceeds have been utilised in full in the format specified in Schedule XI of SEBI ICDR Regulations.

In accordance with Regulation 262(3) and (4) of the SEBI (ICDR) Regulations read with SEBI (ICDR) (Amendments) Regulations, 2025, the board of directors and the management of the issuer shall provide their comments on the findings of the monitoring agency as specified in Schedule XI as per SEBI ICDR Regulations. Our Company will, within forty five days from the end of each quarter, publicly disseminate the report of the monitoring agency by uploading the same on its website as well as submitting the same to the BSE.

INTERIM USE OF PROCEEDS

Pending utilization of the Offer proceeds 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 27 of the Companies Act, 2013, our Company shall not vary the objects of the Offer without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoter or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company's key Managerial personnel and Group Companies, in relation to the utilization of the Net Proceeds. No part of the proceeds of the Offer will be paid by us to the Promoter and Promoter Group, Group Companies, the Directors, associates or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

BASIS FOR OFFER PRICE

The Offer Price has been determined by our Company and Selling Shareholders in consultation with the Lead Manager on the basis of an assessment of market demand for the Equity Shares offered through the Fixed Price Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Offer Price is 14 times of the face value.

Investors should read the following basis with the section titled “Risk Factors” and chapters titled “Restated Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Our Business” beginning on page 28, 192, 232 and 130 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions.

QUALITATIVE FACTORS

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

- Wide product portfolio having applications across various industries verticals
- Long term relationship with clients
- Well established relationship with suppliers
- Leveraging the experience of our Promoters
- Strategic location of our warehouses and depots
- Debt Free Structure

For further details regarding some of the qualitative factors, which form the basis for computing the Offer Price, please see chapter titled “Our Business” beginning on page 130 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented in this chapter is derived from Company’s Restated Financial Statements for the period ended on December 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022, has been prepared in accordance with Indian GAAP and in terms of the requirements of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI as amended from time to time. For more details on financial information, investors please refer the chapter titled “Restated Financial Statements” beginning on page 192 of this Draft Prospectus.

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

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

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

As per Restated Financial Statements

| Particulars | Basic & Diluted EPS (in ₹) | Weights |
|---|----------------------------|---------|
| March 31, 2024 | 4.98 | 3 |
| March 31, 2023 | 9.81 | 2 |
| March 31, 2022 | 4.26 | 1 |
| Weighted Average | 6.47 | |
| For the period ended December 31, 2024 (Not annualised) | 2.58 | |

Notes:

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights.
2. Earnings per Equity Share = Profit for the period/year / Weighted average number of equity shares outstanding during the year.
3. Basic and diluted Earnings per Equity Share are computed in accordance with Accounting Standard 20.

4. The basic and diluted Earnings per Equity Share for the current period and previous period/year presented have been calculated/restated after considering the bonus issue.
5. The face value of each Equity Share is ₹10/-.

2. Price Earnings Ratio (“P/E”) in relation to the Offer Price of ₹140/- per Equity share of ₹10/- each fully paid-up:

| Particulars | (P/E) (no. of times) |
|--|----------------------|
| Based on Restated Financial Statements | |
| P/E ratio based on the Basic & Diluted EPS, as restated for FY 2023-24 | 28.11 |
| P/E ratio based on the Weighted Average Basic & Diluted EPS | 21.64 |

Note: P/E ratio has been computed dividing the price per share by Earnings per Equity Share.

3. Industry P/E ratio

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

4. Return on Net worth (RoNW)

As per Restated Financial Statements

| Particulars | RONW (%) | Weights |
|---|---------------|---------|
| March 31, 2024 | 8.55% | 3 |
| March 31, 2023 | 18.43% | 2 |
| March 31, 2022 | 9.82% | 1 |
| Weighted Average | 12.05% | |
| For the period ended December 31, 2024 (Not annualised) | 4.24% | |

Note: Return on Net Worth (%) = Profit for the period/year / Net Worth at the end of the period/year.

5. Net Asset Value (NAV) of face value of ₹10/- each

As per Restated Financial Statements

| Financial Year | NAV (₹) |
|---|---------|
| March 31, 2024 | 58.23 |
| March 31, 2023 | 53.23 |
| March 31, 2022 | 43.44 |
| For the period ended December 31, 2024 (Not annualised) | 60.80 |
| Net Asset Value per Equity Share after the Offer at Offer Price | [•] |
| Offer Price | 140.00 |

Note:

(1) Net Asset Value per Equity Share (in ₹) = Net Worth at the end of the period/year / Weighted number of equity shares outstanding at the end of the year.

6. Comparison of Accounting Ratios with listed Industry Peers

There are no listed companies in India that are engaged in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

Investor should read the above-mentioned information along with the section titled “Risk Factors” beginning on page 28 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “Restated Financial Statements” beginning on 192 of this Draft Prospectus.

7. Key Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 12, 2025 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by M/s. M Parashar & Co. Chartered Accountants by their certificate dated April 12, 2025.

The KPIs of our Company have been disclosed in the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 130 and 232 of this Draft Prospectus, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 1 of this Draft Prospectus.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Offer as per the disclosure made in the chapter titled “Objects of the Offer”, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

a) Key Performance Indicators of our Company.

As per Restated Financial Statements

(₹ in Lakhs)

| Key Financial Performance | For the period ended December 31, 2024 | For the Financial Year ended | | |
|---|--|------------------------------|----------------|----------------|
| | | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Revenue from Operations ⁽¹⁾ | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| EBITDA ⁽²⁾ | 153.28 | 482.72 | 1,746.64 | 556.51 |
| EBITDA Margin (%) ⁽³⁾ | 0.40% | 0.98% | 3.58% | 1.96% |
| PAT ⁽⁴⁾ | 408.39 | 789.12 | 1,555.97 | 676.14 |
| PAT Margin (%) ⁽⁵⁾ | 1.06% | 1.60% | 3.19% | 2.38% |
| Return on Equity (%) ⁽⁶⁾ | 4.33% | 8.93% | 20.30% | 10.32% |
| Return on Capital Employed ⁽⁷⁾ | 5.72% | 11.55% | 24.70% | 13.21% |
| Debt to Equity Ratio (times) ⁽⁸⁾ | NA | NA | NA | NA |
| Net Fixed Asset Turnover Ratio ⁽⁹⁾ | 320.20 | 366.08 | 316.11 | 233.39 |
| Current Ratio (times) ⁽¹⁰⁾ | 2.23 | 2.91 | 2.04 | 2.27 |

Notes: As certified by our Auditors, by way of their certificate dated April 12, 2025.

Explanation of KPIs:

- 1) Revenue from operation means revenue from sales and other operating revenues
- 2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- 3) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- 4) PAT is calculated as Profit before tax – Tax Expenses
- 5) PAT Margin' is calculated as PAT for the year divided by revenue from operations
- 6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- 7) Return on Capital Employed is ratio of EBIT and Capital Employed, where Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- 8) Debt to Equity ratio is calculated as Long Term Debt + Short Term Debt divided by equity
- 9) Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets
- 10) Current Ratio is calculated by dividing Current Assets to Current Liabilities

b) Description on the historic use of the KPIs by our Company to analyse, track or monitor the operational and/or financial performance of our Company

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Financial Information. We use these KPIs to evaluate our performance. Some of these KPIs are

not defined under applicable Accounting Standards and are not presented in accordance with applicable Accounting Standards. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing results, when taken collectively with financial measures prepared in accordance with applicable Accounting Standards.

Explanations for the certain financial data based on Restated Financial Statements

| Key Financial Performance | Explanations |
|--------------------------------|--|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business |
| PAT | Profit after tax provides information regarding the overall profitability of the business. |
| PAT Margin | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business |
| Return on Equity | RoE provides how efficiently our Company generates profits from shareholders' funds |
| Return on Capital Employed | Return on capital employed is a financial ratio that measures our company's profitability in terms of all of its capital |
| Debt-Equity Ratio | Debt / Equity Ratio is used to measure the financial leverage of the Company and provides comparison benchmark against peers |
| Net Fixed Asset Turnover Ratio | Net Fixed Asset Turnover is an efficiency ratio that indicates how well or efficiently a business uses fixed assets to generate sales. |
| Current Ratio | The current ratio is a liquidity ratio that measures our company's ability to pay short-term obligations or those due within one year |

c) Comparison of Key Performance Indicators with Listed Industry Peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

8. Justification for Basis for Offer price

a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities), excluding shares issued under ESOP/ESOS and issuance of bonus shares

There has been no issuance of Equity Shares (excluding shares issued under ESOP/ESOS and issuance of bonus shares) during the 18 months preceding the date of this Draft Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity shares)

There have been no secondary sale / acquisitions of Equity Shares, where the promoters, members of the promoter group, selling shareholder or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Draft Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer share capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

c) Since there is an eligible transaction of our Company reported under (a) and (b) above, the price per Equity Share of our Company based on the last five primary and secondary transactions in Equity Shares (secondary transactions where the Promoters/Promoter Group entities, Selling Shareholder or Shareholder(s) having the right to nominate director(s) on the Board are a party to the transaction) not older than three years prior to the date of this Draft Prospectus, irrespective of the size of transactions, has not been computed.

Primary Issuances:

Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Draft Prospectus:

| Date of Allotment | No. of Equity Shares allotted | Face Value (₹) | Offer Price (₹) | Nature of Consideration | Nature of Allotment | Total Consideration (₹) |
|--|-------------------------------|----------------|-----------------|-------------------------|---------------------|-------------------------|
| January 31, 2025 | 1,05,72,006 | 10/- | Nil | Other than Cash | Bonus Issue | Nil |
| Total | 1,05,72,006 | | | | | Nil |
| Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share) * | | | | | | Nil |

* As certified by our Auditors, by way of their certificate dated April 12, 2025.

Secondary Transactions:

Except as disclosed below, there have been no secondary transactions in the last three years preceding the date of this Draft Prospectus where the Promoters, Promoter Group or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction:

| Date of Transaction | Name of Shareholder | Promoter/ Promoter Group/ Shareholder(s) having the right to nominate director(s) on our Board | Number of Equity Shares Acquired | Number of Equity Shares Sold | Acquired/ Transferred | Acquisition / Transfer Price (₹) | Total Consideration (₹ in Lakhs) |
|---------------------|-----------------------------|--|----------------------------------|------------------------------|-----------------------------|----------------------------------|----------------------------------|
| January 10, 2025 | Mr. Mukesh Natveral Thakkar | Promoter | 2,00,000 | - | Gift From Mr. Umesh Thakkar | Nil | Nil |
| Total | | | 2,00,000 | | | | Nil |

As certified by our Auditors, by way of their certificate dated April 12, 2025.

d) Weighted average cost of acquisition, Offer Price

Based on the disclosures in (a), (b) and (C) above, the weighted average cost of acquisition of Equity Shares as compared with the Offer Price is set forth below:

| Types of transactions | Weighted average cost of acquisition (₹ per Equity Share)* | Offer Price (₹140.00) |
|--|--|-----------------------|
| Weighted average cost of acquisition of primary issuances | NA | NA |
| Weighted average cost of acquisition for secondary transactions | NA | NA |
| Weighted average cost of acquisition for past 5 primary issuances, as disclosed above | Nil | NA |
| Weighted average cost of acquisition for past 5 secondary transactions, as disclosed above | Nil | NA |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Explanation for Offer Price being nil of weighted average cost of acquisition of primary and secondary sale price of Equity Shares (set out in 8(d) above) along with our Company's key performance indicators and financial ratios for the period ended December 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022 and in view of the external factors which may have influenced the pricing of the offer, if any.

e) The Offer Price is 14.00 times of the face value of the equity shares

The face value of our share is ₹10/- per share and the Offer Price is of ₹140/- per share i.e., 14.00 times of the face value. Our Company and Selling Shareholders in consultation with the Lead Manager believes that the Offer Price of ₹140/- per share for the Public Offer is justified in view of the above quantitative and qualitative parameters. Investor should read the above-mentioned information along with the section titled “*Risk Factors*” beginning on page 28 of this Draft Prospectus and the financials of our Company including important profitability and return ratios, as set out in the chapter titled “*Restated Financial Statements*” beginning on page 192 of this Draft Prospectus.

STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors,
Bhavik Enterprises Limited
1105, 11th Floor, DLH Park,
Opp. MTNL Tel. Exchange, S.V. Road,
Goregaon (W) Mumbai-400062.

Dear Sir,

Sub: Statement of Possible Special Tax Benefits (“the Statement”) available to Bhavik Enterprises 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, 2024 (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (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 offer, which we have initiated 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 fulfil 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 based on our understanding of the business activities and operations of the Company and the provisions of the tax laws.

The information provided in Annexure sets out the Possible Special Direct Tax & Indirect Tax benefits available to the Company, and its Shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of Equity Shares, under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company, and the Shareholders of the Company to derive the direct and indirect tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company, and the Shareholders of the Company may or may not choose to fulfil. Further, certain tax benefits may be optional, and it would be at the discretion of the Company or the Shareholders of the Company to exercise the option by fulfilling the conditions prescribed under the Tax Laws.

The overview provided in Annexure 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 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.

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

For ***M Parashar & Co***
Chartered Accountants
(Registration No. ***110954C***)

CA Amit Parashar
Partner
Membership No. ***430317***
Place: Mumbai
Date: ***April 12, 2025***
UDIN: ***25430317BMIVIJ8608***

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO BHAVIK ENTERPRISES 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 as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26 (AY 2025-26) and Indirect Tax Laws as amended from time to time and applicable for financial year 2024-25. 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 since 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.

I. Under the IT Act

1. Special Tax Benefits to the Company

a) Lower corporate tax rate on income of domestic companies under Section 115BAA of the ITA

The Taxation Laws (Amendment) Act, 2019 introduced section 115BAA wherein domestic companies are entitled to avail a concessional tax rate of 22% (plus applicable surcharge and cess) on fulfilment of certain conditions.

The option to apply for this tax rate is available from Financial Year (FY) 2019-20 relevant to Assessment Year (‘AY’) 2020-21 and the option once exercised through filing of Form 10IC on the Income tax portal shall apply to subsequent assessment years. The concessional tax rate of 22% is subject to the company not availing any of the following deductions under the provisions of the ITA:

- Section 10AA: Tax holiday available to units in a Special Economic Zone.
- Section 32(1)(iii): Additional depreciation.
- Section 32AD: Investment allowance.
- Section 33AB/33ABA: Tea coffee rubber development expenses/site restoration expenses
- Section 35(1)/35(2AA)/ 35(2AB): Expenditure on scientific research.
- Section 35AD: Deduction for capital expenditure incurred on specified businesses.
- Section 35CCC/35CCD: expenditure on agricultural extension /skill development
- Chapter VI-A except for the provisions of section 80JJAA and section 80M.

The total income of a company availing the concessional rate of 25.168% (i.e., 22% along with surcharge of 10% and health and education cess of 4%) is required to be computed without set off any carried forward loss and depreciation attributable to any of the aforesaid deductions/incentives. A company can exercise the option to apply for the concessional tax rate by filing Form 10IC on or before the due date of filing return of income under section 139(1) of the ITA. Further, provisions of Minimum Alternate Tax (‘MAT’) under section 115JB of the ITA shall not be applicable to companies availing this reduced tax rate, thus, any carried forward MAT credit also cannot be claimed. The provisions do not specify any limitation/condition on account of turnover, nature of business or date of incorporation for opting for the concessional tax rate. Accordingly, all existing as well as new domestic companies are eligible to avail this concessional rate of tax.

b) Deductions in respect of employment of new employees under Section 80JJAA of the ITA

As per section 80JJAA of the ITA, where a company is subject to tax audit under section 44AB of the ITA and derives income from business, it shall be allowed to claim a deduction of an amount equal to 30% of additional employee cost incurred in the course of such business in a previous year, for 3 consecutive assessment years including the assessment year relevant to the previous year in which such additional employment cost is incurred.

The eligibility to claim the deduction is subject to fulfilment of prescribed conditions specified in sub-section (2) of section 80JJAA of the ITA. The company is presently not claiming deduction under section 80JJAA of the ITA.

c) Deduction with respect to inter-corporate dividends –Section 80M of the ITA

As per the provisions of section 80M of the ITA, inserted with effect from 01 April 2020 i.e., AY 2021-22, a domestic company shall be allowed to claim a deduction of dividend income earned from any other domestic company or a foreign company or a business trust. The amount of deduction so claimed should not exceed the amount of dividend distributed by it on or before the due date. In this case, due date means one month prior to the due date of furnishing return of income under sub section (1) of section 139 of the ITA.

The company has one associate and one group company on which company has invested and thus, the company should be eligible to claim deduction under section 80M of the ITA in respect of dividends received (if any) from these and further distributed to its shareholders subject to fulfilment of other conditions.

2. Special Tax Benefits available to Shareholders

a) Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in the case of domestic corporate shareholder, benefit of deduction under section 80M of the ITA would be available on fulfilling the conditions. Further, Finance Act 2021 restricted surcharge to 15% in respect of dividend income.

NOTES:

- The above statement of Possible Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Possible Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2024-25. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

II. Under the Indirect Tax Laws

3. Special Indirect Tax Benefits available to the Company

There are no special tax benefits to the company under Indirect Taxes

4. Special Tax Benefits available to Shareholders

Shareholders of the Company are not eligible to special tax benefits under the provisions of the Central Goods and Services Act 2017 (read with Central Goods and Services Tax Rules, circulars, notifications), respective State Goods and Services Tax Act, 2017 (read with respective State Goods and Services Tax Rules, circulars, notifications), Integrated Goods and Services Tax Act, 2017 (read with Integrated Goods and Services Tax Rules, circulars, notifications), The Foreign Trade (Development and Regulation) Act, 1992 (read with Foreign Trade Policy 2015-20), Customs Act, 1962 (read with Custom Rules, circulars, notifications), Customs Tariff Act, 1975 (read with Custom Tariff Rules, circulars, notifications)

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws.

INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS OF AN INVESTMENT AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THE SECURITIES, PARTICULARLY IN VIEW OF THE ACT 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 IN THEIR 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 *M Parashar & Co*
Chartered Accountants
(Registration No. *110954C*)

CA Amit Parashar
Partner
Membership No. *430317*
Place: Mumbai
Date: *April 12, 2025*
UDIN: *25430317BMIVIJ8608*

SECTION VI – ABOUT THE COMPANY

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled “Indian Petrochemical Industry” dated December 24, 2024 (the “D&B Report”) prepared and issued by Dun & Bradstreet Information Services India Private Limited (“D&B India”) and exclusively commissioned and paid for by us in connection with the Offer. A copy of the D&B Report is available on the website of our Company at <https://bhavikenterprises.com/> until the Offer Closing Date.

The data included herein includes excerpts from the D&B Report and may have been reordered by us for the purposes of presentation. D&B India is an independent agency which has no relationship with our Company, our Promoter and any of our directors or KMPs or SMPs. There are no parts, data or information relevant for the proposed Offer, that have been left out or changed in any manner.

Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Financial information used herein is based solely on the audited financials of the Company and other peers. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. See also, “*Risk Factors – Certain sections of this Draft Prospectus disclose information from the D&B Report which have been commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks*” on page 28.

Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. While preparing its report, D&B India has also sourced information from publicly available sources, including our Company’s financial statements. However, financial information relating to our Company presented in other sections of this Draft Prospectus has been prepared in accordance with Indian Gaap and restated in accordance with the SEBI ICDR Regulations. Accordingly, the financial information of our Company in this section is not comparable with Indian Gaap financial information presented elsewhere in this Draft Prospectus.

Global Macroeconomic Scenario

The global economy, which grew by 3.3% in 2023, is expected to record a sluggish growth of 3.2% in 2024 before rising modestly to 3.3% in 2025. Between 2021 – 2022, global banks were carrying a historically high debt burden after COVID-19. Central banks took tight monetary measures to control inflation and spike in commodity prices. Russia's war with Ukraine further affected the global supply chains and inflated the prices of energy and other food items. These factors coupled with war-related economic sanctions impacted the economic activities in Europe. Any further escalation in the war may further affect the rebound of the economy in Europe.

While China, the largest manufacturing hub of world, was facing a crisis in the real estate sector and prices of properties were declining between 2020 - 2023, with the reopening of the economy, consumer demand is picking up again. The Chinese authorities have taken a variety of measures, including additional monetary easing, tax relief for corporates, and new vaccination targets for the elderly. The Chinese Government took several steps to help the real estate sector including cracking down on debt-ridden developers, announcing stimulus for the sector and measures to encourage the completion and delivery of unfinished real estate projects. The sector is now witnessing investments from developers and demand from buyers.

Global headline inflation is set to fall from an estimated 6.8% in CY 2023 to 5.8% in CY 2024 and to 4.4% in CY 2025. This fall is swifter than anticipated across various areas, amid the resolution of supply-related problems and tight monetary policies. Reduced inflation mirrors the diminishing impact of price shocks, particularly in energy, and their subsequent influence on core inflation. This decrease also stems from a relaxation in labour market pressure, characterized by fewer job openings, a slight uptick in unemployment, and increased labour availability, occasionally due to a significant influx of immigrants.

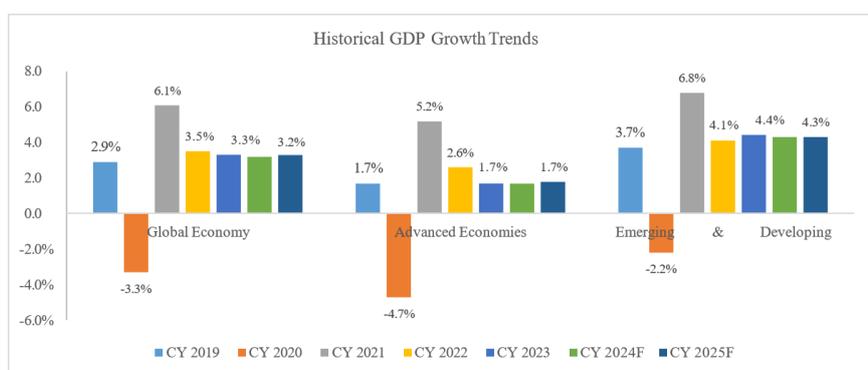
Global GDP Growth Scenario

The global economy started to rise from its lowest levels after countries started to lift the lockdown in 2020 and 2021. The pandemic lockdown was a key factor as it affected economic activities resulting in a recession in the year CY 2020, as the GDP growth touched -3.3%.

In CY 2021 disruption in the supply chain affected most of the advanced economies as well as low-income developing economies. The rapid spread of Delta and the threat of new variants in mid of CY 2021 further increased uncertainty in the global economic environment.

Global economic activities experienced a sharper-than-expected slowdown in CY 2022. One of the highest inflations in decades, seen in 2022, forced most of the central banks to tighten their fiscal policies. Russia's invasion of Ukraine affected the global food supply resulting in a further increment in the cost of living.

Further, despite initial resilience earlier in 2023, marked by a rebound in reopening and progress in curbing inflation from the previous year's highs, the situation remained precarious. Economic activity lagged behind its pre-pandemic trajectory, particularly in emerging markets and developing economies, leading to widening disparities among regions. Numerous factors are impeding the recovery, including the lasting impacts of the pandemic and geopolitical tensions, as well as cyclically driven factors such as tightening monetary policies to combat inflation, the reduction of fiscal support amidst high debt levels, and the occurrence of extreme weather events. As a result, global growth declined from 3.5% in CY 2022 to 3.3% in CY 2023.

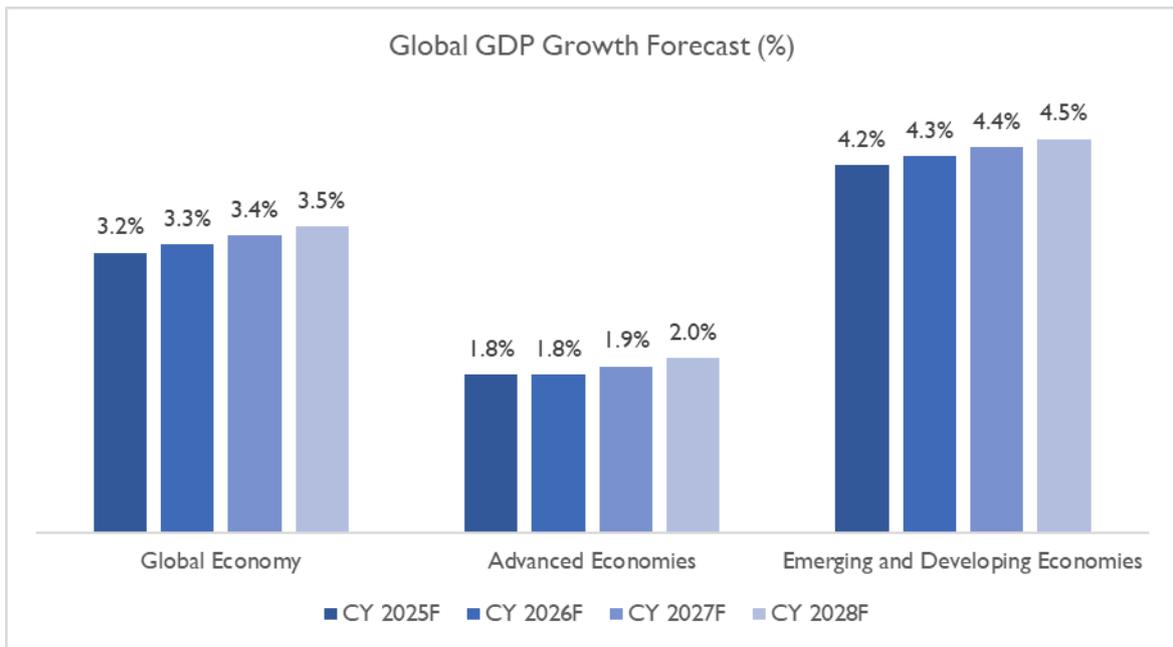


Source – IMF Global GDP Forecast Release July 2024

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

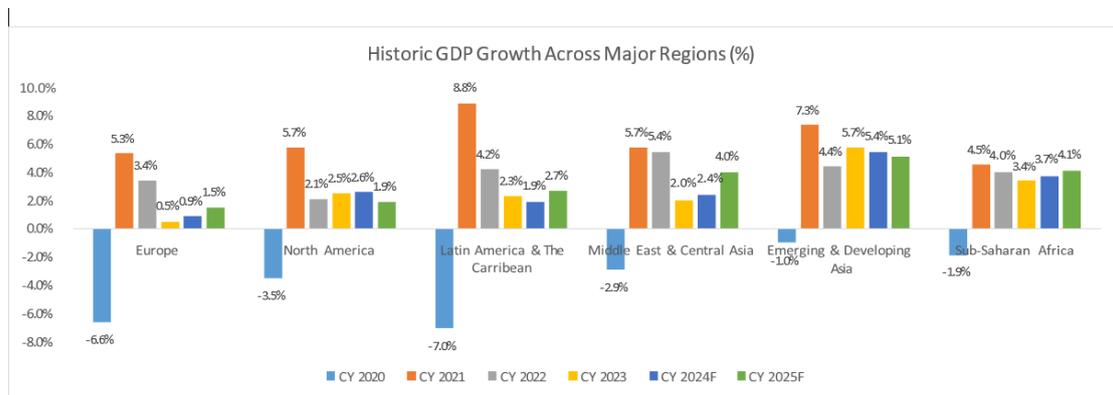
In the current scenario, global GDP growth is estimated to have recorded a moderate growth of 3.3% in CY 2023 as compared to 3.5% growth in CY 2022. While high inflation and rising borrowing costs are affecting private consumption, on the other hand, fiscal consolidation is affecting government consumption.

Slowed growth in developed economies will affect the GDP growth in CY 2024 and global GDP is expected to record a flat growth of 3.2% in CY 2024. The crisis in the housing sector, bank lending, and industrial sectors are affecting the growth of global GDP. Inflation forced central banks to adopt tight monetary policies. After touching the peak in 2022, inflationary pressures slowly eased out in 2023. This environment weighs in for interest rate cuts by many monetary authorities.



GDP Growth Across Major Regions

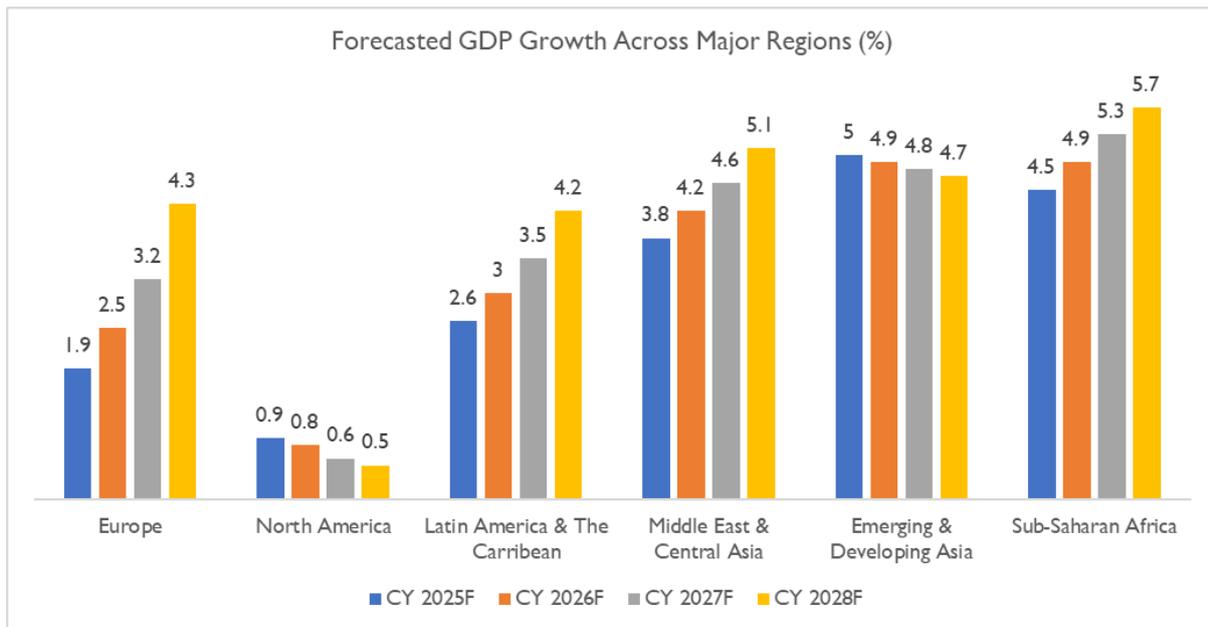
GDP growth of major regions including Europe, Latin America & The Caribbean, Middle East & Central Asia, and Sub-Saharan Africa, were showing signs of slow growth and recession between 2020 – 2023, but leaving Latin America & The Caribbean, 2024 is expected to show resilience and growth. Meanwhile, GDP growth in Emerging and Developing Asia (India, China, Indonesia, Malaysia etc.) is expected to decrease from 5.4% in CY 2023 to 5.2% in CY 2024, while in the United States, it is expected to decrease from 2.5% in CY 2023 to 2.1% in CY 2024.



Source-IMF World Economic Outlook July 2024 update

Except for Emerging and Developing Asia, Latin America & The Caribbean and the United States, all other regions are expected to record an increase in GDP growth rate in CY 2024 as compared to CY 2023. GDP growth in Latin America & The Caribbean is expected to decline due to negative growth in Argentina. Further, growth in the United States is expected to come down at 2.1% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Although Europe experienced a less robust performance in 2023, the recovery in 2024 is expected to be driven by increased household consumption as the impact of energy price shocks diminishes and inflation decreases, thereby bolstering real income growth. Meanwhile, India and China saw greater-than-anticipated growth in 2023 due to heightened government spending and robust domestic demand, respectively. Sub-Saharan Africa's expected growth in 2024 is attributed to the diminishing negative impacts of previous weather shocks and gradual improvements in supply issues.



Source-IMF, OECD, and World Bank, D&B Estimates

Global Economic Outlook

At the midpoint of the year, so far in 2024 we have seen divergence in outcomes and prospects around the world in terms of economic growth, inflation, and policy responses. On balance, global short-term economic prospects have improved over the course of the year. We expect this momentum to continue through the second half of 2024 and into 2025 as inflation eases further and monetary policy continues to loosen, supporting steady growth. Macroeconomic risks, in our view, have become more balanced.

The U.S. has performed better than other developed economies, particularly those in Europe where the consumer sentiment has been relatively weak – though the picture in Europe has been varied. A sustained recovery in tourism this year has boosted the economies of Greece and Spain, whereas Germany, France, and Italy have been held back by the slower recovery of manufacturing. Nonetheless, the European Central Bank (ECB) lowered the three key interest rates in June – for the first time since September 2019 – which will support stronger regional growth.

Growth in the Chinese Mainland has held up well so far this year despite challenges from the property market amid ongoing rebalancing, and the export cycle is supporting growth in the rest of Asia. In Latin America, larger economies, such as Brazil and Mexico, tend to be performing more moderately than smaller economies, such as Chile and Peru, indicating slower regional growth overall.

Globally, industrial production has been relatively sluggish because of restrictive trade policies, persistent supply chain disruptions, high interest rates, and anemic growth. We expect industrial production to gather steam later this year and into 2025 on the back of a gradual recovery in global trade, stimulated by stronger domestic demand for goods.

Policy responses have diverged so far this year and are set to remain so in the near term. Central banks have begun rate cutting cycles in several developed economies, including the Eurozone, Canada, Sweden, and Switzerland. However not every economy has followed suit. Disinflation has not been as predictable as it was in 2023, and underlying price pressures mean inflation is likely to remain bumpy this year – hence, policy will remain more restrictive than was anticipated at the start of the year. With relatively stronger economic growth and stickier inflation, the timing of the first interest rate cut by the U.S. Federal Reserve (the Fed) and the onward path of interest rates remains ambiguous.

The global economy is showing signs of stabilizing, yet growth will remain subdued this year before picking up pace in 2025. We forecast global growth of around 2.5% in 2024, half a percentage point softer than in the decade following the financial crisis. The weaker outlook reflects fiscal consolidation, lagged tight monetary policy, restrictive trade policies, and elevated levels of geopolitical uncertainty. Looking ahead to 2025, global growth is likely to pick up slightly to 2.8% as the impact of these factors declines and stronger growth becomes more entrenched.

Emerging economies look set for softer growth in general this year. On a regional basis, growth is likely to be markedly slower in Eastern Europe, but only slightly softer in Asia Pacific and Latin America, with growth only moderately slower

in key economies such as the Chinese Mainland, India, and Brazil. Outcomes in developed economies are also mixed but largely remain subdued because of tight policy settings.

India Macroeconomic Analysis

GDP Growth Scenario

India's economy showed resilience with GDP growing at 8.2% in CY 2023. The GDP growth in CY 2023 represents a return to pre pandemic era growth path. Even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world.

| Country | Real Growth (CY 2023) | Projected GDP Growth (CY 2024) | Projected GDP Growth (CY 2025) |
|----------------|-----------------------|--------------------------------|--------------------------------|
| India | 8.20% | 7.00% | 6.50% |
| China | 5.20% | 5.00% | 4.50% |
| Russia | 3.60% | 3.20% | 1.50% |
| Brazil | 2.90% | 2.10% | 2.40% |
| United States | 2.50% | 2.60% | 1.90% |
| Japan | 1.90% | 0.70% | 1.00% |
| Canada | 1.20% | 1.30% | 2.40% |
| Italy | 0.90% | 0.70% | 0.90% |
| France | 1.10% | 0.90% | 1.30% |
| South Africa | 0.70% | 0.90% | 1.20% |
| United Kingdom | 0.10% | 0.70% | 1.50% |
| Germany | -0.20% | 0.20% | 1.30% |

Source: World Economic Outlook, July 2024

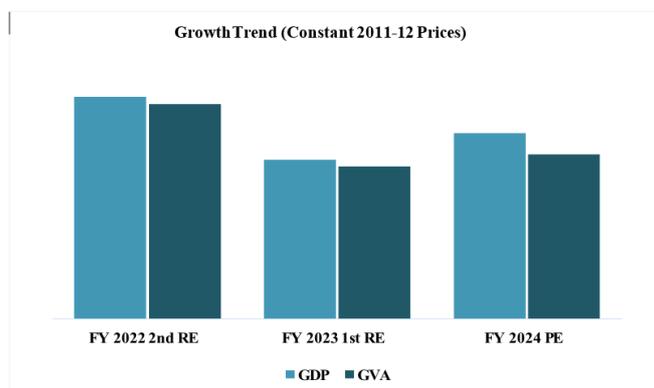
Countries considered include - Largest Developed Economies and BRICS (Brazil, Russia, India, China, and South Africa). Countries have been arranged in descending order of GDP growth in 2023).

There are few factors aiding India's economic recovery – notably its resilience to external shocks and rebound in private consumption. This rebound in private consumption is bringing back the focus on improvements in domestic demand, which together with revival in export demand is a precursor to higher industrial activity. Already the capacity utilization rates in Indian manufacturing sector are recovering as industries have stepped up their production volumes. As this momentum sustains, the country may enter a new capex (capital expenditure) cycle. The universal vaccination program by the Government has played a big part in reinstating confidence among the population, in turn helped to revive private consumption.

Realizing the need to impart external stimuli, the Government stepped up its spending on infrastructure projects which in turn had a positive impact on economic growth. The capital expenditure of the central government increased by 37.4% increase in capital expenditure (budget estimates), to the tune of INR 10 trillion in the Union Budget 2023-2024. The announcement also included a 30% increase in financial assistance to states at INR 1.3 trillion for capex. The improvement was accentuated further as the Budget 2024-2025 announced an 11.1% increase in the capital expenditure outlay at INR 11.1 trillion, constituting 3.4% of the GDP. This has provided much-needed confidence to the private sector, and in turn, attracted private investment.

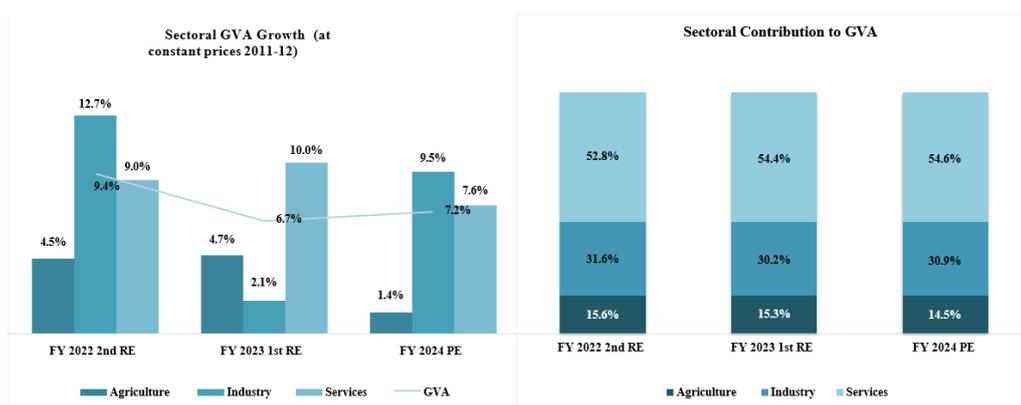
On the lending side, the financial health of major banks has witnessed an improvement which has helped in improving the credit supply. With capacity utilization improving, there would be demand for credit from the corporate sector to fund the next round of expansion plans. The banking industry is well poised to address that demand. Underlining the improving credit scenario is the credit growth to the micro, small, and medium enterprise (MSME) sector as the credit outstanding to the MSME sector by scheduled commercial banks in the fiscal year 2024 grew by 14% to INR 10.31 trillion compared to INR 9.02 trillion as on 24 March 2023. The extended Emergency Credit Linked Guarantee Scheme (ECLGS) by the Union Government has played a major role in improving this credit supply.

As per the provisional estimates 2023-24, India's GDP in FY 2024 grew by 8.2% compared to 7.0% in the previous fiscal on the back of solid performances in manufacturing, mining, and construction sectors. The year-on-year increase in growth rate is also partly due to by a strong growth in investment demand led by public capital expenditure.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics, 2023-24 RE stands for Revised Estimates, SAE stands for Second Advance Estimates

Sectoral Contribution to GVA and annual growth trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

Sectoral analysis of GVA reveals industrial sector recovered sharply registering 9.5% y-o-y increase in FY 2024 against 2.1% in the previous fiscal. In the industrial sector, growth across major economic activity such as mining, manufacturing and construction sector rose significantly and it registered a growth of 7.1%, 9.9% and 9.9% in FY 2024 against a y-o-y change of 1.9%, -2.20%, and 9.44% in FY 2023, respectively. Utilities sector observed a marginal moderation in y-o-y growth to 7.5% against 9.44% in the previous years.

Talking about the services sector's performance, with major relaxation in covid restriction, progress on COVID- 19 vaccination and living with virus attitude, business in the service sector gradually returned to normalcy in FY 2023. Economic recovery was supported by the service sector as individual mobility returned to the pre- pandemic level. The trade, hotel, transport, communication, and broadcasting segment continued to strengthen in FY 2023 and grow in FY 2024, although the growth hasn't shown substantial increases. In FY 2024, services sector grew by 7.6% against 10% y-o-y growth in the previous year.

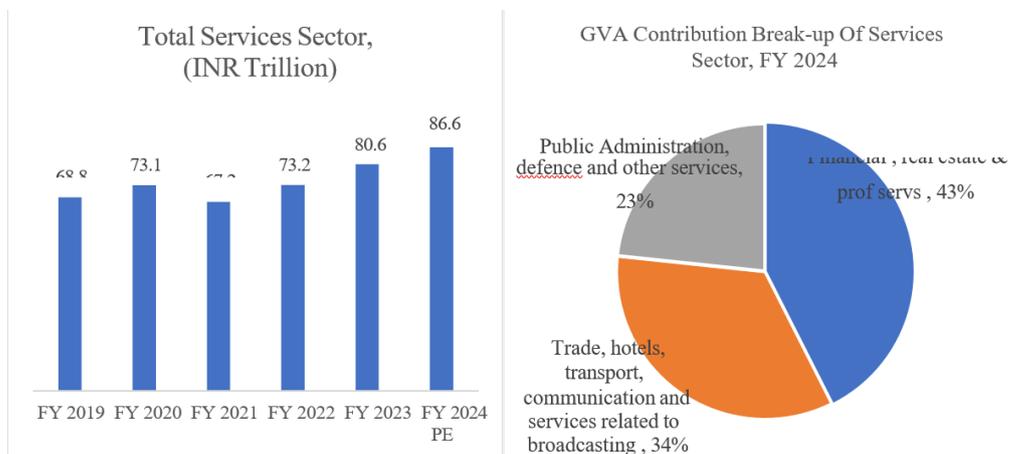
Expansion in Service Sector

Services sector is a major contributor to the country's overall economic growth. In absolute terms, services sector GVA has increased from INR 68.78 trillion in FY 2019 to INR 86.6 trillion in FY 2024 (as per the provisional estimated), registering a CAGR of nearly 5%. Within Services sector, the GVA by financial, real estate and professional services-the largest contributing segment observed 6.3% CAGR while Public Administration, defence and other services1 observed 4.5%

CAGR and Trade, hotels, transport, communication, and services related to broadcasting witnessed 3.1% CAGR between FY 2019-24.

¹ Other services include Education, Health, Recreation, and other personal services.

India's HSBC Services Purchasing Managers' Index, an important indicator to track service sector performance, measured 60.3 in July 2024 against 60.5 in the previous month. Since August 2021, the services sector has consistently remained above the threshold of 50, which distinguishes growth from contraction.

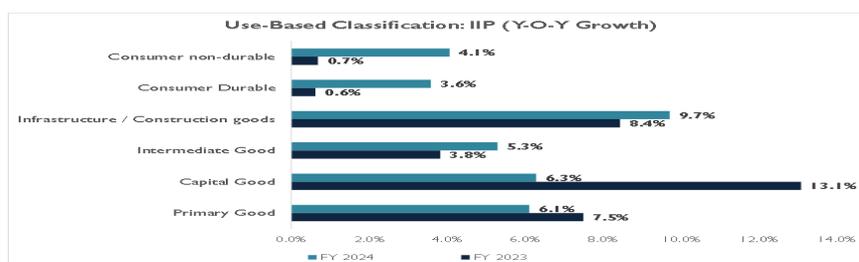


Sources: MOSPI, CMIE Economic Outlook and Dun & Bradstreet Research Estimates²

IIP Growth

Industrial sector performance as measured by IIP index; in FY 2024 it is growing at 5.9% (against 5.2% in FY 2023). Previously IIP index exhibited temporary recovery in FY 2022 from the low of Covid induced slowdown in industrial growth during FY 2020 and FY 2021. Manufacturing index, with 77.6% weightage in overall index, grew by 5.5% in FY 2023 against 4.7% y-o-y growth in FY 2022 while mining sector index too grew by 7.5% against 5.8% in the previous years. Mining & manufacturing both shown improvement according to previous except the Electricity sector Index, witnessed an improvement of 7.1% against 8.9% in the previous year.

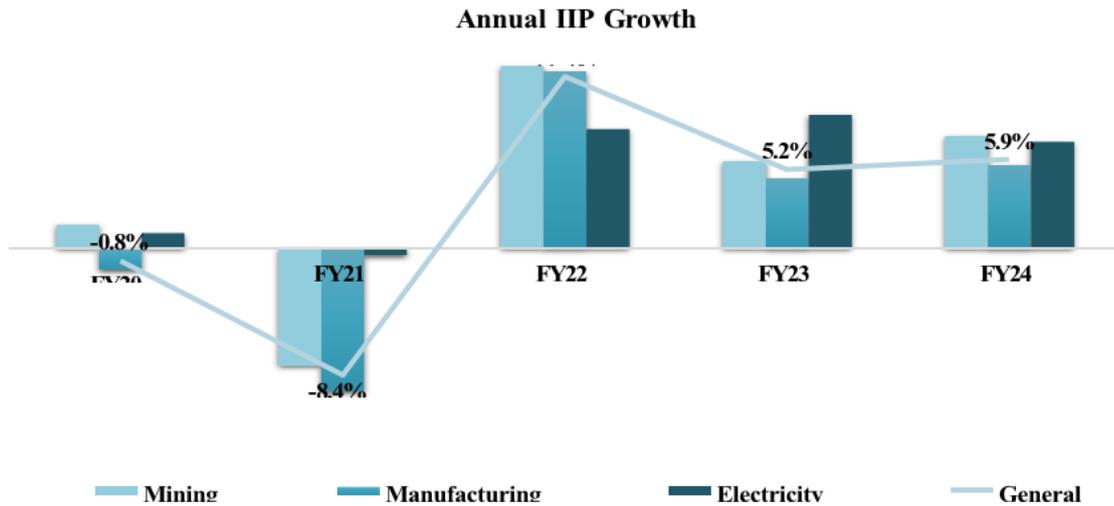
² Projection as Based on CMIE Growth rate till FY 2029 and FY 2030 is based on Dun & Bradstreet assumption.



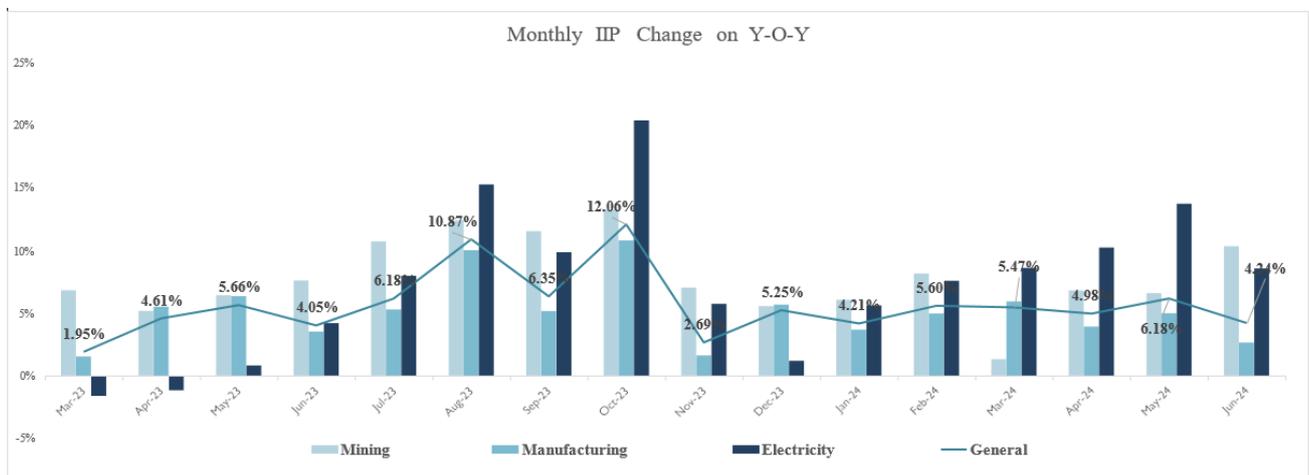
Source: Ministry of Statistics & Programme Implementation (MOSPI)

As per the use-based classification, most of the segments has shown growth for FY 2024 as compared to FY 2023. Capital good and primary goods were segments which faced less growth as compared to previous year. The contracting IIP data points towards adverse operating business climate as global headwinds, high inflation, and monetary tightening cumulatively impacted the broader industrial sector performance. In contrast all the segments except the above two have shown growth.

Monthly IIP Growth Trend

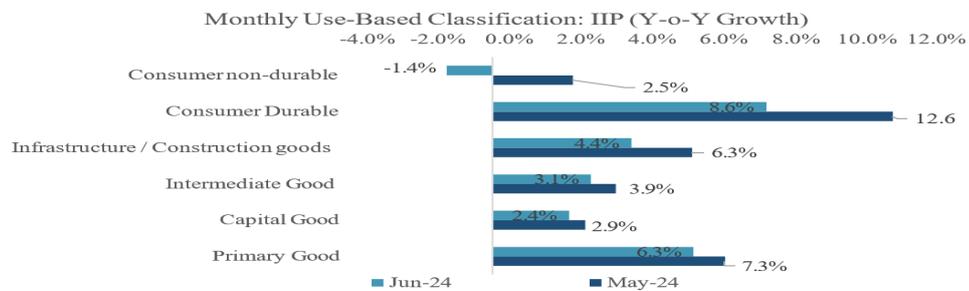


Source: Ministry of Statistics & Programme Implementation (MOSPI)



Sources: MOSPI

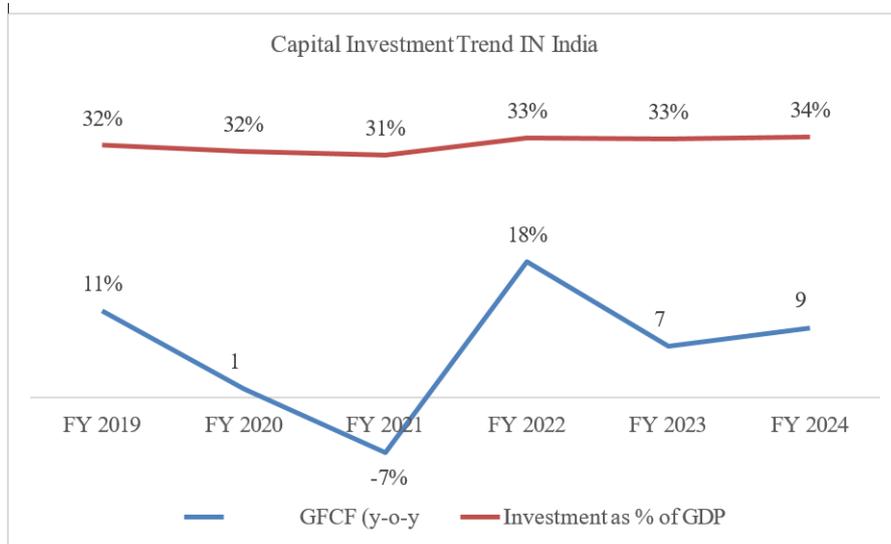
In the current fiscal FY 2025, the monthly IIP measured index has reported steady improvement over the last fiscal. However, the IIP index slowed to a 5-month low and just grew by 4.24% y-o-y in June against 6.18% in the previous month on the back of slowing growth in the manufacturing section. In June 2024, the manufacturing index growth slowed to 2.6% against 6.3% y-o-y growth in June 2023 and 5% in May 2023 while the electricity sector index and mining index exhibited substantial improvement and they grew by 8.6% and 10.3% in June 2024 against 0.9% and 6.4% growth in April 2023, respectively.



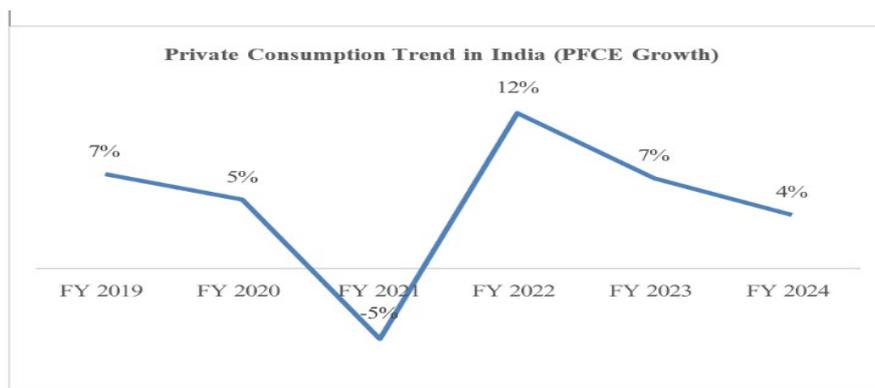
As per the use-based classification, growth in all segments slowed in June 2024 as compared to the previous month. Consumer non-durable declined by 1.4% in June 2024 against 2.5% increase in the previous month. In May 2024, all segments showed a substantial increase in growth.

Investment & Consumption Scenario

Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, gained strength during FY 2024 as it grew by 9% on a y-o-y basis against 7% yearly growth in the previous fiscal, while GFCF to GDP ratio measured an all-time high settled higher at 34%.



Sources: MOSPI

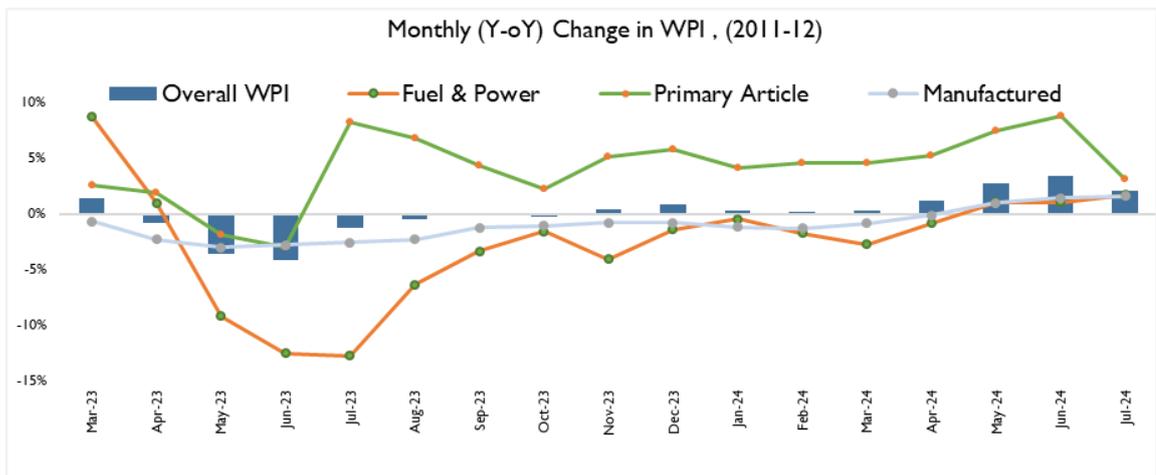


Sources: MOSPI

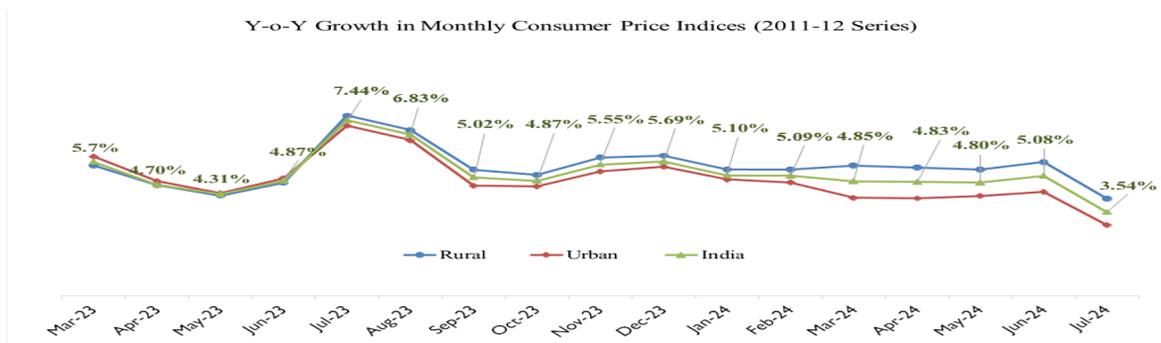
Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed decelerated and registered 4% y-o-y growth in FY 2024 against 7% in FY 2023.

Inflation Scenario

The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from March 2023 to July 2024. Overall WPI saw a sharp decline to -1.2% in July 2023, primarily driven by steep drops in Fuel & Power and Manufactured Products, reflecting reduced global demand and falling input costs. However, a recovery was noted by June 2024, with WPI reaching 3.4%, supported by a strong rise in Primary Articles and a rebound in Fuel & Power prices. By July 2024, while Primary Articles growth moderated to 3.1%, the WPI remained positive at 2.0%, indicating stabilization in the market after earlier volatility.



Source: MOSPI, Office of Economic Advisor.



Source: CMIE Economic Outlook

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between March 2023 and July 2024. Rural CPI inflation peaked at 7.63% in July 2023, before declining to 4.10% in July 2024. Urban CPI inflation followed a similar trend, rising to 7.20% in July 2023 and then dropping to 2.98% in July 2024. Overall, the national CPI inflation rate increased to 7.44% in July 2023 but moderated to 3.54% by July 2024, indicating a gradual easing of inflationary pressures across both rural and urban areas over the period. CPI measured below 6% tolerance limit of the central bank since September 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 to the current 6.5% while it has been holding the rate at 6.5% since 8 Feb 2023.

India's Growth Outlook

India's economy has exceeded expectations, registering an 8.2% growth in FY24. High-frequency indicators such as automobile sales, e-way bills, cargo traffic, and exports signal sustained growth momentum into Q2 FY25. However, the rural demand outlook is tied to the monsoon, where inconsistent rainfall could impact the agriculture sector and inflation. The government is proactively boosting grain storage capacity to mitigate these risks. On the credit front, the Reserve Bank of India (RBI) has kept the policy rate unchanged, with inflation expected to average around 5% in FY25. Despite stable policy rates, lending rates may rise due to the incomplete transmission of earlier hikes, while strong credit growth in the private sector suggests potential capacity expansion. Supply-side challenges persist, particularly in food storage infrastructure. The government has launched a massive initiative to enhance grain storage capacity by 70 million tonnes over the next five years. The recent long-term agreement for operating Iran's Chabahar Port is also set to bolster trade and supply chain resilience.

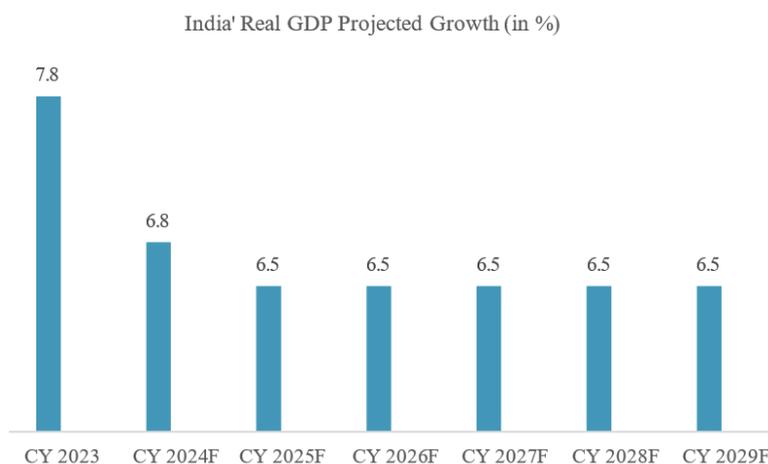
In terms of trade, India's recent agreements, particularly with the European Free Trade Association (EFTA) and Oman, are opening new markets and opportunities for exports. The proposed mega-distribution hub in the UAE by 2025 will further support India's global trade ambitions, particularly in Africa, Europe, and the US.

Politically, the continuation of the National Democratic Alliance (NDA) government signals sustained reforms, with optimism around labour and land reforms. The government is also taking steps to control retail inflation by managing food prices and import duties. The external environment remains cautious, with geopolitical tensions, particularly in Gaza, posing potential risks to global stability.

Overall, India's short-term growth outlook remains positive, underpinned by strong domestic demand, proactive government measures, and expanding global trade relationships, despite some challenges in the rural economy and supply chain infrastructure.

India's Projected Economic Growth

Looking ahead to 2024, India's projected GDP growth of 6.8% in 2024 stands out as the fastest among major emerging markets, significantly outpacing China's 4.6%, and Brazil's 2.2%. This robust growth trajectory is expected to sustain at 6.5% annually from 2025 to 2029, reflecting strong economic fundamentals and continued momentum.



Source: IMF

This decent growth momentum in near term (CY 2024) is accompanied by a slowdown in inflation, as well as various other factors in the medium to long term that will support the economy. These include enhancements in physical infrastructure, advancements in digital and payment technology, improvements in the ease of doing business and a higher quality of fiscal expenditure to foster sustained growth.

On the demand side, improving employment conditions and moderating inflation are expected to stimulate household consumption. Further, the investment cycle is gaining traction, propelled by sustained government capital expenditure, increased capacity utilization and rising credit flow. Additionally, there are positive signs of improvement in net external demand, as reflected in the narrowing merchandise trade deficit. Despite the supply disruptions, exports clocked positive y-o-y growth in December 2023 and January 2024.

From uplifting the underprivileged to energizing the nation's infrastructure development, the Government has outlined its vision to propel India's advancement and achieve a 'Viksit Bharat' by 2047 in the interim budget announced on 1st Feb 2024. Noteworthy positives in the budget include achieving a lower-than-targeted fiscal deficit for FY2024 and setting a lower-than-expected fiscal deficit target for FY2025, proposing dedicated commodity corridors and port connectivity corridors, providing long-term financing at low or nil interest rates to the private sector to step up R&D (Research & Development) in the sunrise sectors.

Achieving a reduced fiscal deficit of 5.8% in FY2024 and projecting a lower than-anticipated fiscal deficit of 4.9% as announced in the interim budget in July 2024 for the current fiscal year (FY 2025) are positive credit outcomes for India. This showcases the country's capability to pursue a high-growth trajectory while adhering to the fiscal glide path. There has been a significant boost to capital expenditure for two consecutive years; capital expenditure – which is budgeted at 3.4% of GDP (INR 11.1 trillion/USD 134 billion) for fiscal year 2024-25 – is at a 21-year high (3.3% of GDP in fiscal year 2023-24). The enhancement of port connectivity, coupled with the establishment of dedicated commodity corridors (energy, mineral and cement), is poised to enhance manufacturing competitiveness. This strategic move aims to fulfil India's export targets and reduce logistics costs.

India's optimistic economic outlook is underpinned by its demographic dividend, which brings a substantial workforce that boosts labor participation and productivity. The burgeoning middle class and urbanization contribute to increased domestic consumption, driven by rising incomes and purchasing power. Extensive investments in infrastructure, encompassing roads, railways, ports, and digital connectivity, are enhancing productivity and efficiency, with government initiatives like the

Smart Cities Mission and PM Gati Shakti creating a conducive growth environment. This digital transformation, catalyzed by initiatives such as Digital India, is fostering a tech-driven economy marked by enhanced internet penetration, digital payments, and e-governance, thereby fueling growth in sectors like fintech, e-commerce, and digital services. The push to position India as a global manufacturing hub through Make in India and PLI (Production Linked Incentive) schemes is further boosting industrial output, exports, and domestic production capabilities. Compared to other major emerging markets facing demographic and economic challenges, India's combination of demographic strengths, policy reforms, and strategic initiatives positions it as a standout performer and a significant driver of global economic growth in the foreseeable future.

Some of the key factors that would propel India's economic growth.

Strong Domestic Demand

Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. PFCE as a percentage of GDP increased to 58% during FY 2022 and FY 2023 while in FY 2024 it settled at 56%. There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power. As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 1.06 lakhs in FY 2024 against 99,404 in FY 2023 and 87,623 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable spending pattern in the country. Consumer driven domestic demand is majorly fueled by this growth in per capita income.

India's Per capita GDP trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027- 28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

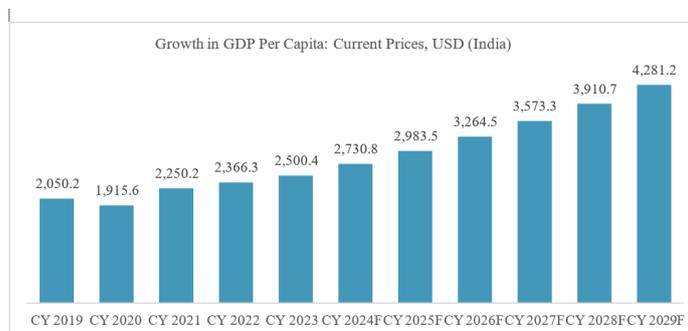
To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.

Source: IMF

From CY 2024-29, India's per capita GDP is projected to grow at a compound annual growth rate of 9.4%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Digitization Reforms

Ongoing digitization reforms and the resultant efficiency gains accrued would be a key economic growth driver in India in the medium to long term. Development of digital platforms has helped in the seamless roll out of initiatives like UPI (Unified Payments Interface), Aadhaar based benefit transfer programs, and streamlining of GST (Goods and Services Tax) collections. All of these have contributed to improving the economic output in the country. Some of the key factors that have supported the digitization reforms include – the growth in internet penetration in India together with drop in data tariffs, growth in smartphone penetration, favorable demographic pattern (with higher percentage of tech savvy youth population) and India's strong IT (Information Technology) sector which was leveraged to put in place the digital ecosystem. All these factors are expected to remain supportive and continue to propel the digitization reforms in India.



Increased adoption of digital technology and innovation, inclusive and sustainable practices, business-friendly and transparent regulations, and heightened corporate research and development (R&D) investments will further bolster the country’s growth. These factors will collectively support employment growth across both private and public sectors, including micro, small, and medium enterprises (MSMEs).

An Overview: Petrochemical industry

Petrochemicals are a vast and essential group of chemicals derived from petroleum (crude oil) and natural gas. These "fossil fuels" are primarily composed of hydrocarbons, molecules containing just hydrogen and carbon atoms. Through various refining and processing techniques, these hydrocarbons are transformed into a diverse range of petrochemical products that underpin countless aspects of human life.

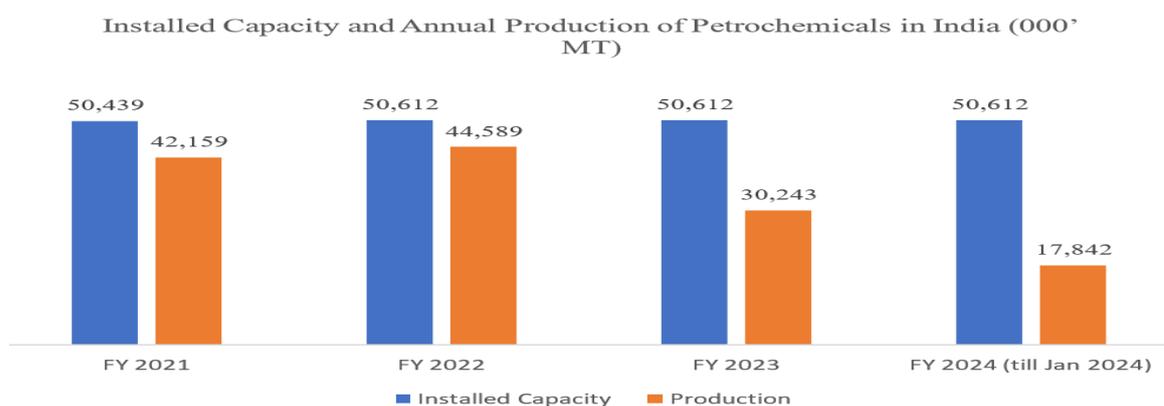
Indian chemical sector continues to grow at a rate of 1.2-1.5 times the GDP. India's chemical and petrochemical industry is currently valued at around USD 178 billion and is expected to reach USD 300 billion by 2025. The Ministry of Petroleum estimates that demand for petrochemicals will triple by 2040, reaching a value of USD 1 trillion. India ranks as the sixth largest player in the global petrochemical market. The industry boasts a strong production base with three gas-based and three naphtha-based cracker complexes for producing key products like ethylene and xylene. Petrochemical products are the essential building blocks for a vast array of downstream industries in India and impact them significantly:

- **Textiles:** Petrochemical-derived fibers like polyester and nylon are cost-effective, durable, and versatile, revolutionizing the textile industry. They are used in clothing, furnishings, and industrial applications.
- **Construction:** Petrochemicals play a crucial role in construction materials. PVC pipes are lightweight, corrosion-resistant, and used in plumbing and drainage. Polyurethanes provide insulation for buildings, and epoxies are used in adhesives and coatings.
- **Packaging:** Plastics dominate the packaging industry due to their affordability, lightweight nature, and ability to protect contents. Flexible films, bottles, and containers made from polyethylene, polypropylene, and PET are ubiquitous.
- **Pharmaceuticals:** The industry relies on various petrochemical products for packaging (blister packs, vials), medical devices (syringes, catheters), and even drug delivery systems.
- **Agriculture:** Petrochemicals play a vital role in agricultural development. Fertilizers derived from petrochemicals improve crop yields. Additionally, plastic films for greenhouses, irrigation pipes, and weed control fabrics contribute significantly.

As living standards improve, the demand for consumer goods like packaged food, clothing, electronics, and automobiles rises, all of which rely heavily on petrochemical products. The rapid growth of urban areas creates a demand for better infrastructure, housing, and sanitation, all of which involve the use of petrochemicals in construction and waste management. With a growing population, the demand for healthcare products and pharmaceuticals increases, leading to a higher requirement for petrochemical- based packaging and medical devices.

Production Scenario

Annual production of basic petrochemicals in India is estimated to be 17.8 million metric tons in FY 2023 (till January 2024) while production is estimated to be nearly 44.6 million metric tons in FY 2022. Between FY 2020 and 2022, the production of petrochemicals has increased by a CAGR of 1.2%.



Source: Department of Chemicals and Petrochemicals, D&B estimates

Note: Installed capacity figures for FY 2022, FY 2023, and FY 2024 are held constant due to the absence of official data releases from the Department of Chemicals and Petrochemicals for FY 2023 and FY 2024.

Installed Capacity

A steady rise in installed capacity from 48.9 million metric tons (MT) in FY 2020 to 50.6 million MT by FY 2022, with a rise of 1679 thousand metric tons (MT) from FY 2020 to FY 2022. This indicates an expansion in the petrochemical industry, anticipating future growth in demand.

Production

Production levels haven't kept pace with the increase in installed capacity. They show a decline from 43,524.13 thousand MT in FY 2020 to 42,159.38 thousand MT in FY 2021, followed by a partial recovery to 44,588.52 thousand MT in FY 2022, which further declined to 30,243 thousand MT in FY 2023.

Capacity Utilization Rate

| Year | Production | Installed Capacity | Capacity Utilization Rate |
|---------|------------|--------------------|---------------------------|
| FY2020 | 43524.13 | 48933.31 | 89% |
| FY2021 | 42159.38 | 50438.76 | 84% |
| FY2022 | 44588.52 | 50612.4 | 88% |
| FY 2023 | 30243.39 | 50612.4 | 60% |

The capacity utilization rate in all four years (2020-2023) falls below 100%, indicating that the industry is not operating at its full potential. Underutilization of production capacity across all three fiscal years (2020- 2022) is seen ranging from 84% to 89% which further declined to 60% in FY 2023.

Key product segments

Olefins & Polymers segments together, with a combined contribution of 56%, represent the backbone of the Indian petrochemical industry. Olefins, like ethylene and propylene, are the fundamental building blocks for various polymers, including polyethylene (PE), polypropylene (PP), and PVC. These polymers are widely used in packaging, construction, textiles, and numerous other applications.

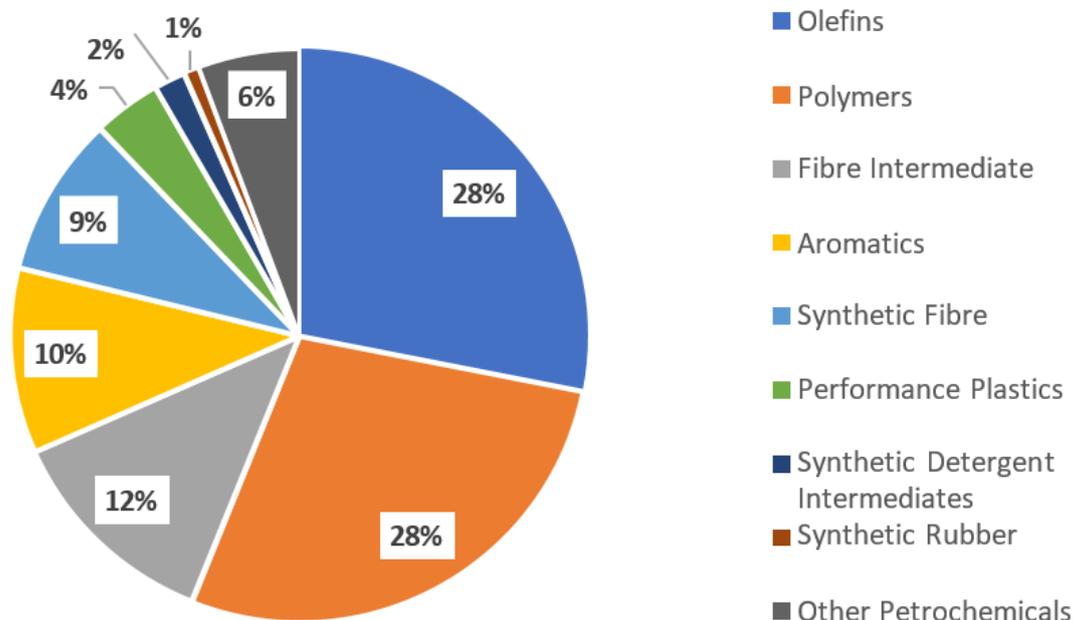
Source: Department of Chemicals and Petrochemicals

Fibre Intermediates (12%) & Synthetic Fibres (9%) together, these segments account for 21%, highlighting the importance of polyester and other synthetic fibers in the Indian textile industry. These fibers offer affordability, durability, and versatility, making them popular choices for clothing, home textiles, and industrial applications.

Aromatics accounts for 10% of the production in FY 2023., this segment encompasses benzene, toluene, and xylene, used in various applications like plastics, synthetic rubber, and solvents. Whereas Performance Plastics contributes 4%, these specialized plastics offer superior properties like high heat resistance, chemical resistance, and flame retardancy, finding applications in electronics, automotive parts, and aerospace. Synthetic Detergent Intermediates (2%) & Synthetic Rubber

(1%), these segments cater to specific needs in the cleaning products and automotive industries, respectively. Other Petrochemicals accounts for 6%, this category encompasses a diverse range of chemicals used in various sectors like pharmaceuticals, paints, and adhesives.

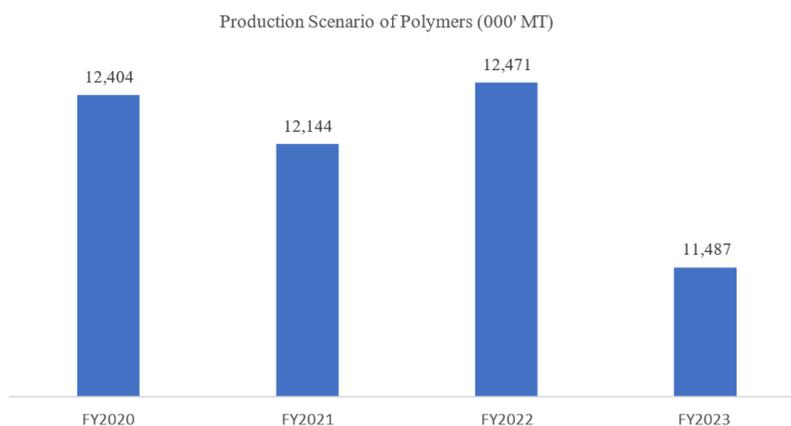
Petrochemical Production Pattern - Key Segments



Historical Growth Trend in Production of Polymers

Polymers (overall)

The Indian polymers industry has witnessed a dynamic growth trajectory in recent years. Production peaked at 12,471 thousand metric tons in FY2022, followed by a decline to 11,487 thousand metric tons in FY2023. This fluctuation can be attributed to various factors, including global economic conditions, fluctuations in raw material prices, and changes in consumer demand.



The polymers industry plays a pivotal role in India's economic landscape, contributing significantly to various sectors such as packaging, construction, automotive, and consumer goods. The industry has been characterized by continuous innovation and technological advancements, driving the development of new and improved polymer materials with enhanced properties and functionalities.

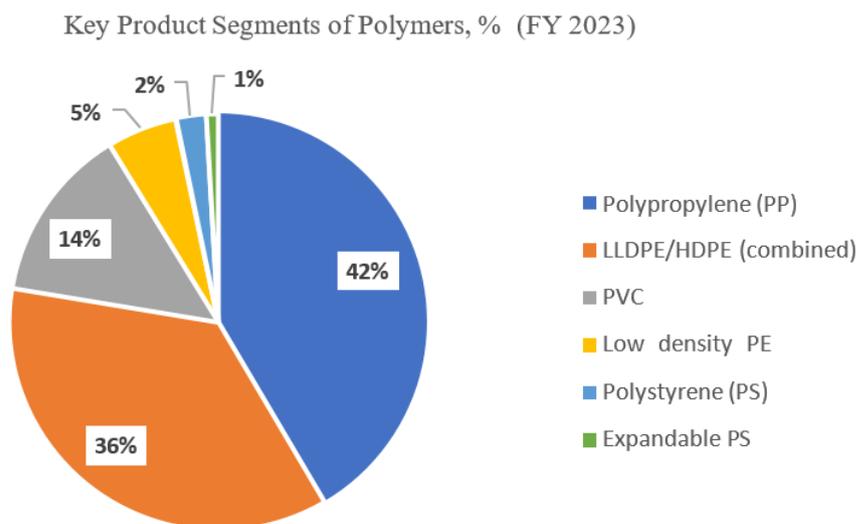
Looking ahead, the Indian polymers industry is poised for further growth, driven by factors such as increasing urbanization, rising disposable incomes, and growing demand for lightweight and durable materials. The industry is also expected to

benefit from government initiatives aimed at promoting the use of plastics in infrastructure development and other key sectors.

However, the industry also faces challenges such as environmental concerns related to plastic waste management and the need for sustainable and eco-friendly solutions. Addressing these challenges will be crucial for the long-term growth and sustainability of the Indian polymers industry.

Key Product Segments of Polymers

Polypropylene (PP) emerges as the leading polymer, accounting for a substantial 42% of total production at 4,773.5 thousand metric tons. This dominance can be attributed to PP's versatility and wide-ranging applications across sectors like automotive, packaging, and consumer goods. Its lightweight nature, good chemical resistance, and ease of processing make it a preferred choice for various manufacturing processes.



Source: Department of Chemicals and Petrochemicals

LLDPE/HDPE (combined) occupies the second position with a 36% share at 4,142.32 thousand metric tons. These polyethylenes find extensive use in packaging applications, particularly in the form of films, bags, and containers. Their robust nature, flexibility, and cost-effectiveness contribute to their widespread adoption.

PVC follows with a 14% share at 1,565.59 thousand metric tons. PVC's versatility is evident in its applications across construction, piping, and other industrial sectors. Its durability, resistance to chemicals, and ease of processing make it a suitable material for various applications.

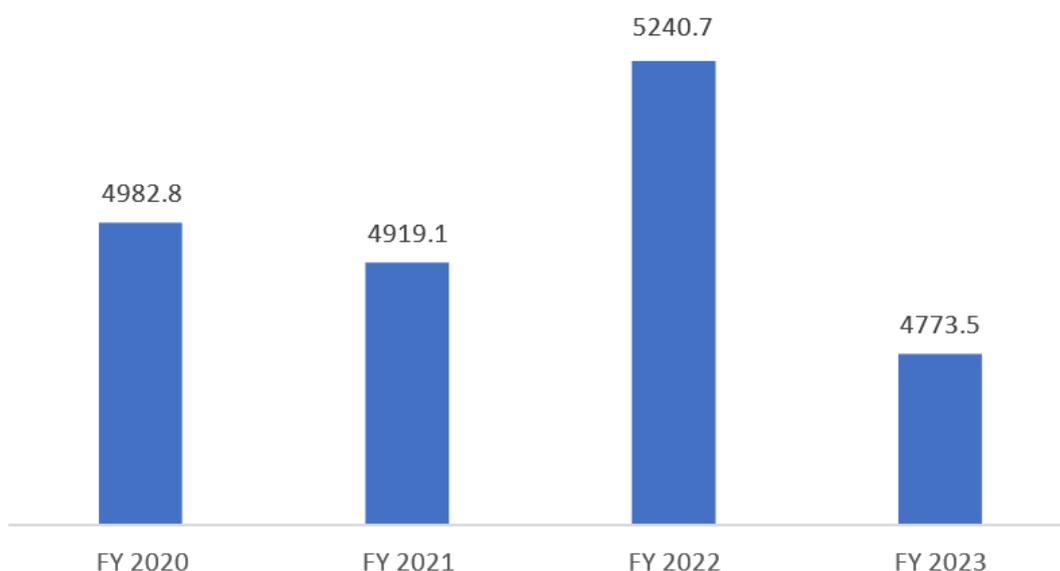
Other polymers, while constituting smaller shares, also play significant roles in the Indian market. Polystyrene (PS), at 2%, finds applications in packaging, electronics, and construction. Expandable PS (1%) is primarily used in packaging and insulation.

Historical Growth Trend in Production of Key Polymers (PE & PP)

Polypropylene (PP)

The Indian Polypropylene (PP) industry has witnessed notable production fluctuations in recent years. Total PP production peaked at 5,240.7 thousand metric tons in FY2022, followed by a decline to 4,773.5 thousand metric tons in FY2023. This fluctuation can be attributed to various factors, including global economic conditions, fluctuations in raw material prices, and changes in consumer demand.

PP production in India (000' MT)



Source: Department of Chemicals and Petrochemicals

PP plays a crucial role in the Indian economy, finding applications in diverse sectors such as automotive, packaging, textiles, and consumer goods. Its lightweight nature, good chemical resistance, and ease of processing make it a preferred choice for various manufacturing processes.

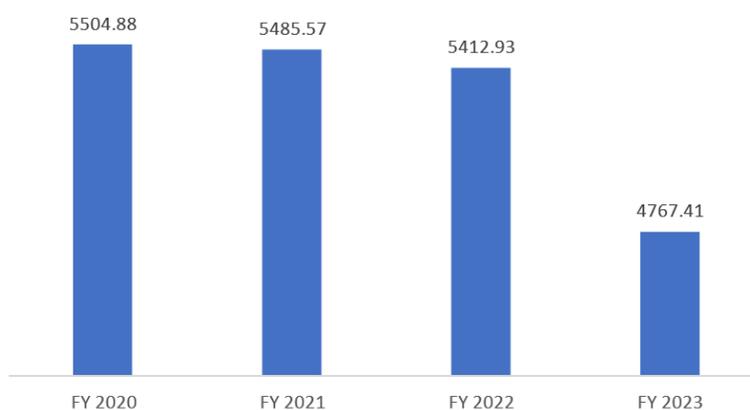
The decline in PP production from FY2022 to FY2023 indicates potential challenges within the industry. These challenges could include factors like increased competition, changing consumer preferences, and the need to adapt to evolving market demands.

The future of the Indian PP industry hinges on its ability to address these challenges and capitalize on emerging opportunities. This may involve investments in research and development to develop innovative PP-based products, exploring new applications for PP, and adopting sustainable manufacturing practices to minimize environmental impact.

Polyethylene's (PE)

The Indian polyethylene (PE) industry has witnessed a notable production trend in recent years. Total PE production, encompassing both LLDPE/HDPE and low-density PE, peaked at 5,504.88 thousand metric tons in FY2020 and subsequently declined to 4,767.41 thousand metric tons in FY2023. This decline can be attributed to various factors, including global economic fluctuations, shifts in consumer demand, and potential challenges within the industry.

PE production in India (000' MT)



Source: Department of Chemicals and Petrochemicals

LLDPE/HDPE consistently constitutes the largest segment within total PE production, highlighting their significance in the Indian market. These materials find extensive applications in packaging, construction, and other crucial sectors. The decline in LLDPE/HDPE production from 4,891.59 thousand metric tons in FY2020 to 4,142.32 thousand metric tons in FY2023 mirrors the overall trend in total PE production.

Low-density PE, while constituting a smaller portion, also plays a vital role in the Indian polymer landscape. Its applications range from packaging films and bags to consumer goods. Production of low-density PE exhibited a slight increase from 613.29 thousand metric tons in FY2020 to 625.09 thousand metric tons in FY2023, despite the overall decline in total PE production.

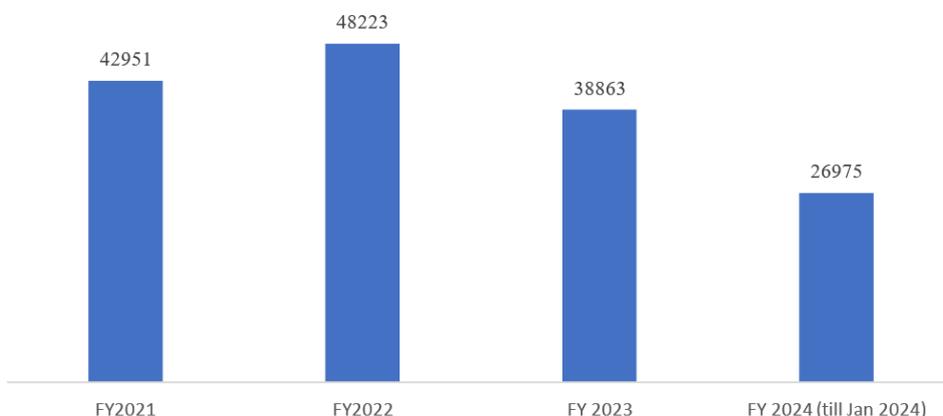
Major petrochemical product hubs in India

India's petrochemical industry boasts several key production hubs playing a crucial role in its growth. These hubs benefit from strategic locations, access to raw materials, and a well-developed infrastructure, making them centres of excellence for petrochemical production.

| Gujarat | | | |
|---|--|--|--|
| Undisputed Leader | Favourable Location | Strong Infrastructure | Key Players |
| Gujarat stands as the undisputed leader in Indian petrochemicals, accounting for a significant share of the national production. | Its proximity to major ports like Mundra and Pipavav facilitates easy import of crude oil and export of finished products. | A well-developed network of pipelines, refineries, and petrochemical complexes creates a robust ecosystem. | Reliance Industries, Indian Oil Corporation (IOC), and Gujarat State Petrochemicals Corporation (GSPC) are major players with large scale facilities in Gujarat. |
| Maharashtra | | | |
| Established Hub | Strong Infrastructure | Diversified Production | Key Players |
| Maharashtra boasts a well-established petrochemical industry, particularly concentrated around Mumbai and Pune. | Industrial areas like Navi Mumbai, Pimpri Chinchwad, and Pune are prominent centres for petrochemical production. | The state has a diverse production base, encompassing olefins, polymers, polyester, and specialty chemicals. | Companies like National Organic Chemical Industries Limited (NOCIL), Reliance Industries, and BASF India have significant presences in Maharashtra. |
| Tamil Nadu | | | |
| Emerging Hub | Focus on Polymers | Government Support | Key Players |
| Tamil Nadu is a rapidly growing petrochemical hub, attracting significant investments due to its strategic location and government initiatives. | The state has a strong focus on polymer production, with companies like Chevron Phillips Chemical and Reliance Industries setting up major facilities. | The Tamil Nadu government actively promotes the development of the petrochemical sector through dedicated industrial parks and incentives. | Petrochemical companies like Madras Refineries Limited (MRL) and Chevron have their refineries and petrochemical complexes in Tamil Nadu. |

Consumption scenario

Annual Consumption of Petrochemicals in India (000' MT)



Source: Department of Chemicals and Petrochemicals, D&B Estimates

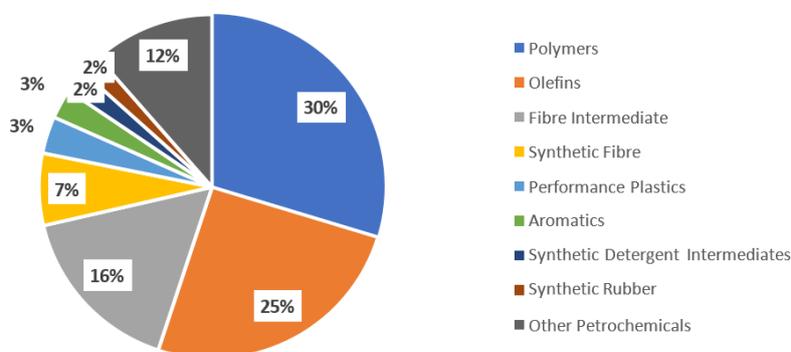
An increase in petrochemical consumption from 42,951 thousand MT in FY 2021 to 48,223 thousand MT in FY 2022. This indicates a growth of approximately 12.3%, indicating a growing demand for these chemicals in various sectors. However, a significant decline is estimated for FY 2023 (38,863 thousand MT).

Several factors contribute to the growth in FY 2021 and FY 2022, India's economic recovery post- pandemic might have led to increased demand for petrochemical products used in various sectors like construction, packaging, and automobiles. Increased investments in infrastructure projects like roads, buildings, and transportation significantly boost demand for petrochemicals used in construction materials like pipes, insulation, and coating. Rapid urbanization trends lead to a rise in housing construction and related demand for petrochemical products used in building materials, paints, and furniture. The burgeoning Indian automotive sector is a major consumer of petrochemicals for components like tires, hoses, and various plastic parts.

Key product segments

Polymers (30%) and Olefins (25%) form the backbone of petrochemical consumption in India, accounting for over half (55%) of the total consumption. Polymers, including polyethylene, polypropylene, and PVC, are the most widely consumed petrochemicals in India. Their versatility makes them essential for various applications in packaging, construction, textiles, and consumer durables. Olefins like ethylene and propylene are the building blocks for many polymers. Their high demand reflects the strong consumption of downstream polymer products.

Petrochemical Consumption Pattern - Key Segments



Source: Department of Chemicals and Petrochemicals

Fibre Intermediates and Synthetic Fibres accounts for 16% & 7% respectively, this segment, totalling 23%, signifies a growing market for synthetic textiles. These segments cater to the textile industry, a major consumer of petrochemical-based fibers like polyester and nylon. Rising demand for clothing and technical textiles is likely driving growth in this segment.

Performance Plastics and Aromatics each accounts 3% of the total production. Performance plastics offer superior properties like high strength, heat resistance, and flame retardancy. Their applications is increasing in automotive components, electronics, and aerospace segment.

Synthetic Detergent Intermediates and Synthetic Rubber each contributes 2% to the total production. These segments cater to specific applications like detergents and tire production.

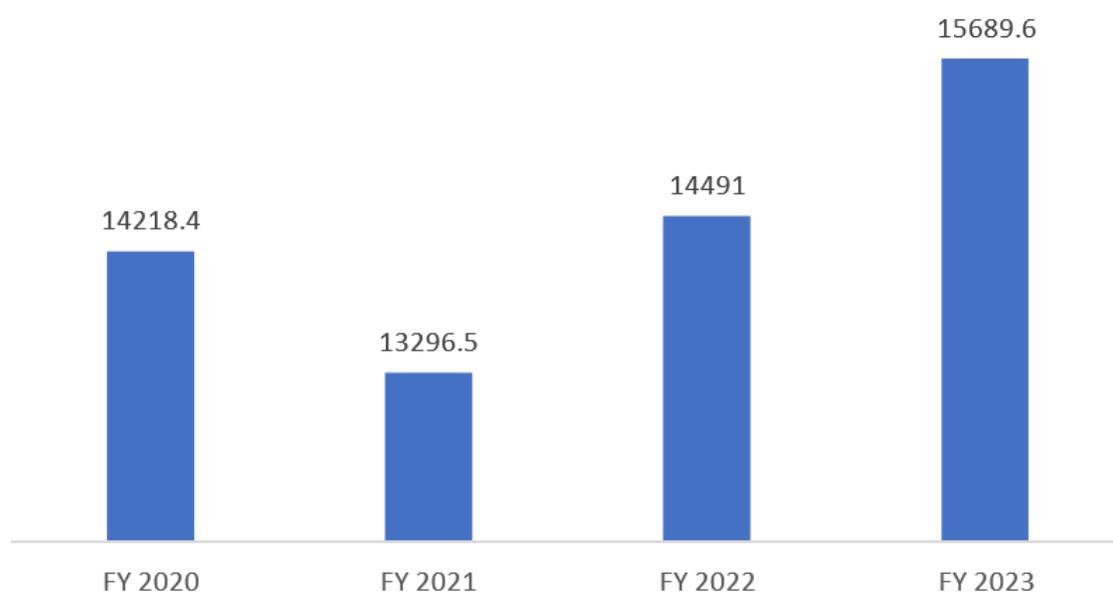
Other Petrochemicals accounts for 12% of the production, encompass a diverse range of chemicals used in various applications. It includes products like plasticizers, solvents, adhesives, and specialty chemicals catering to specific industrial needs.

Historical Growth Trend in Consumption of Polymers

Polymers (overall)

The Indian polymers market has witnessed a significant growth trajectory in recent years, driven by robust economic growth, increasing urbanization, and rising disposable incomes. Total polymers consumption surged from 14,218.4 thousand metric tons in FY2020 to 15,689.6 thousand metric tons in FY2023, reflecting a consistent upward trend. This substantial increase underscores the growing demand for polymers across various sectors within the Indian economy.

Total Polymer Consumption (000' MT)



Several factors contribute to this burgeoning consumption. The construction sector, fueled by infrastructure development initiatives and rapid urbanization, is a major driver of polymer demand, particularly for PVC, PE, and PP. The automotive industry, with its focus on light weighting and fuel efficiency, increasingly utilizes polymers like PP and engineering plastics. The packaging industry, driven by e-commerce growth and changing consumer preferences, heavily relies on polymers such as PE and PET. Furthermore, the consumer goods sector, encompassing electronics, appliances, and other consumer durables, significantly contributes to polymer consumption.

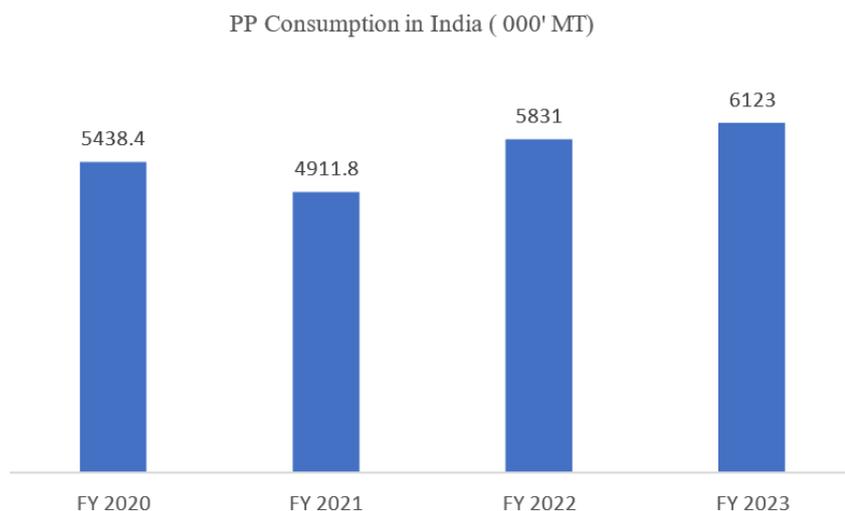
This sustained growth in polymers consumption presents both opportunities and challenges. While it signifies a thriving economy and expanding industrial base, it also necessitates a focus on sustainable practices. The industry must prioritize the development and adoption of eco-friendly polymers, improve recycling infrastructure, and minimize environmental impact. Additionally, addressing concerns related to plastic waste management and promoting circular economy principles will be crucial for the long-term sustainability of the Indian polymers market.

The Indian polymers market is poised for further growth, driven by technological advancements, evolving consumer preferences, and government initiatives aimed at promoting sustainable development. Continued innovation in polymer technology, coupled with a focus on sustainability and circular economy principles, will be key to ensuring the long-term growth and success of the Indian polymers industry.

Historical Growth Trend in Production of Key Polymers (PE & PP)

Polypropylene (PP)

Polypropylene (PP) consumption in India has witnessed a significant growth trajectory in recent years, with total consumption steadily increasing from 5,438.4 thousand metric tons in FY2020 to 6,123 thousand metric tons in FY2023. This robust growth underscores the increasing demand for PP across various sectors within the Indian economy.

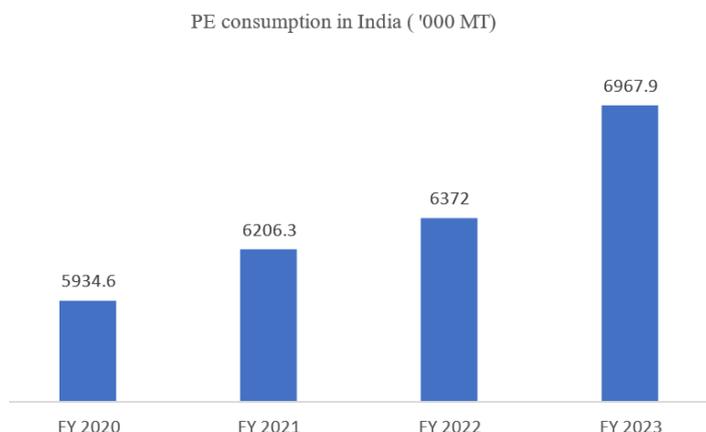


Source: Department of Chemicals and Petrochemicals

This surge in PP consumption can be attributed to several factors. The automotive industry, with its focus on light weighting and fuel efficiency, increasingly utilizes PP in various components. The packaging industry, driven by e-commerce growth and changing consumer preferences, heavily relies on PP for packaging films, containers, and other applications. The construction sector, fueled by infrastructure development and urbanization, also contributes significantly to PP demand, particularly for pipes, fittings, and other construction materials.

Polyethylene's (PE)

Polyethylene consumption has witnessed a significant growth trajectory in recent years, with total consumption steadily increasing from 5,934.6 thousand metric tons in FY2020 to 6,967.9 thousand metric tons in FY2023. This robust growth underscores the increasing demand for PE across various sectors within the Indian economy.



Source: Department of Chemicals and Petrochemicals

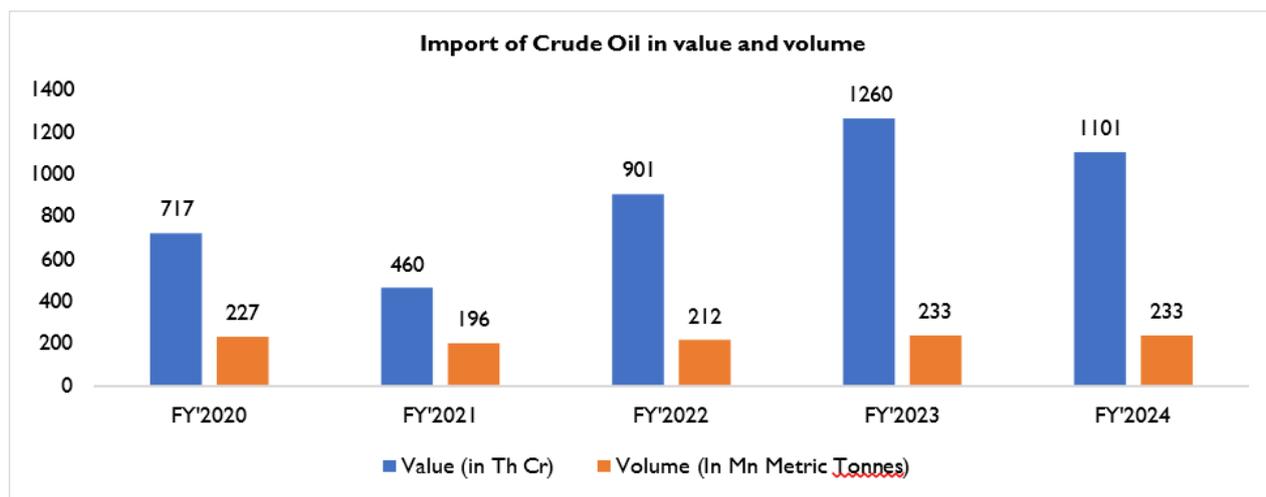
Within the PE segment, High-Density Polyethylene (HDPE) has emerged as the dominant player, experiencing substantial growth from 2,198.6 thousand metric tons in FY2020 to 3,276.3 thousand metric tons in FY2023. This significant increase

can be attributed to the growing demand for HDPE in sectors such as packaging (bottles, containers, films), construction (pipes, fittings), and agriculture (mulch films).

Linear Low-Density Polyethylene (LLDPE) also constitutes a significant portion of the PE market. While its consumption experienced a slight decline from 3,050.9 thousand metric tons in FY2021 to 2,860.7 thousand metric tons in FY2023, it remains a crucial material for applications like flexible packaging, film extrusion, and agricultural films.

Low-Density Polyethylene (LDPE), though constituting a smaller share, has also witnessed growth. Its consumption increased from 825.6 thousand metric tons in FY2020 to 830.9 thousand metric tons in FY2023. LDPE finds applications in various sectors, including packaging (films, bags), consumer goods, and wire and cable insulation.

Feedstock Scenario



Source: Ministry of Petroleum and Natural Gas

India's crude oil imports decreased by 0.2% in FY 2024, yet import dependency remains high, with over 85% of crude oil being imported and refined into fuels like petrol and diesel. Despite importing a similar quantity of crude oil as compared to last year, India spent Rs 1,101 thousand crores in FY 2024 due to falling international crude oil prices. Petroleum products consumption in India increased by 4.6% to 233.3 million metric tonnes (MMT) in FY 2024, while domestic production remained steady.

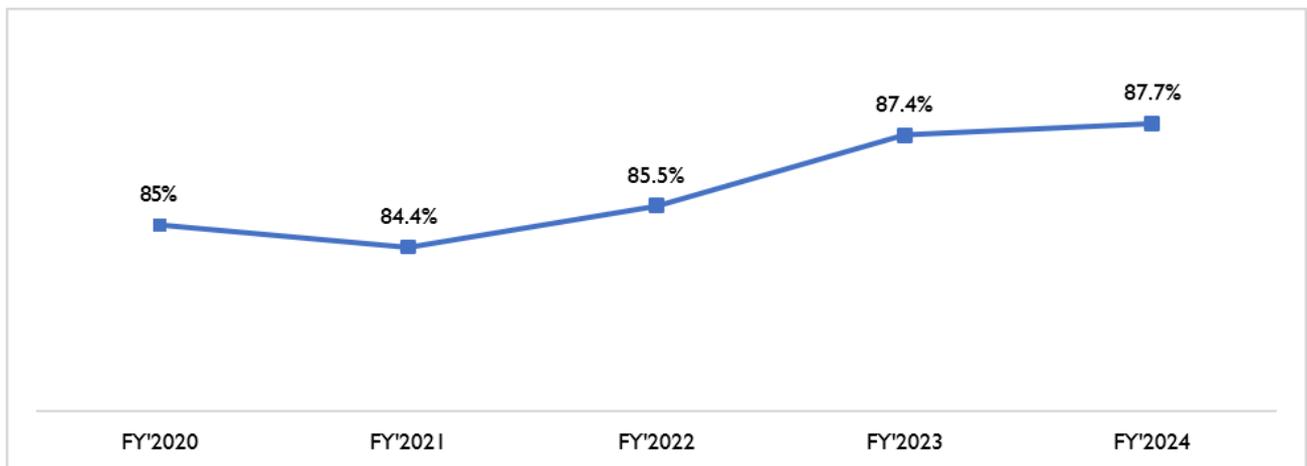
A report from the oil ministry indicates that the growth in petroleum product consumption—an indicator of oil demand—in FY 2024 was driven by a 6.4% increase in motor spirit (MS) or petrol, 4.4% in high-speed diesel (HSD), 11.8% in aviation turbine fuel (ATF), and 14.3% in naphtha consumption, alongside increases in LPG, lubes, bitumen, petcoke, and light diesel oil (LDO). In comparison, product consumption in the previous year was 223 MMT. Domestic crude oil production in FY 2024 was 29.4 MMT, nearly unchanged from 29.2 MMT in the previous year. Consequently, India's crude oil imports were at their highest, meeting 87.7% of its oil requirements from foreign supplies. This dependency was 87.4% in FY 2023 and 85.5% in FY 2022.

India's high import dependency poses challenges amid rising oil prices due to geopolitical tensions in the Middle East and controlled supply from OPEC+. To mitigate the impact of rising oil prices, the Indian government has urged oil explorers ONGC and Oil India Limited (OIL) to boost production. ONGC aims to reverse years of declining production by FY 2025, targeting new output from its Krishna Godavari (KG) basin to gradually raise overall oil production by 11% and gas production by 15%.

On the trade front, India has diversified its sources of crude oil, now purchasing from 37 countries, up from 29 countries previously. This strategy ensures energy availability at affordable prices.

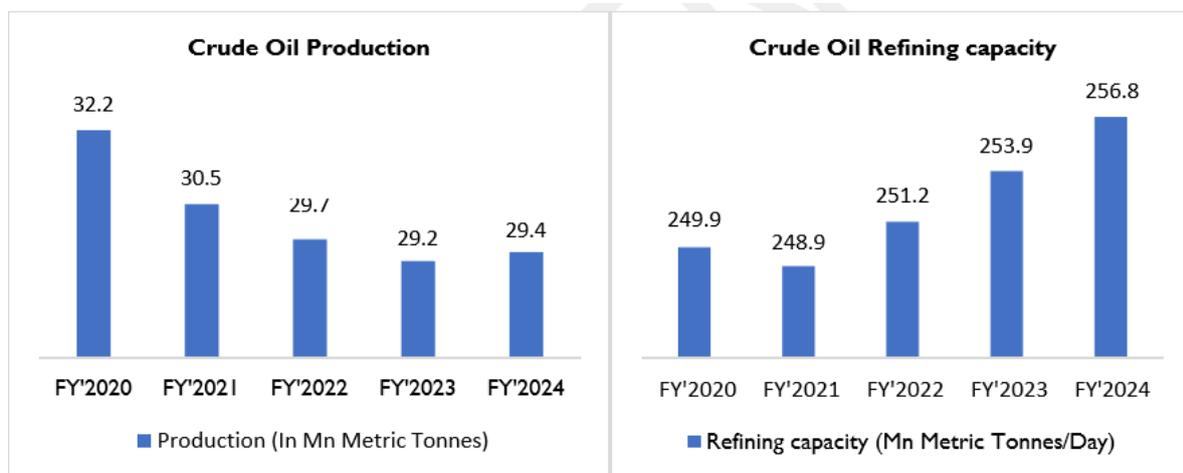
Notably, Russia, which accounted for only 0.2% of India's total crude requirements before 2022, now supplies around 30% of total crude imports.

Import dependency on crude oil



Source: Ministry of Petroleum and Natural Gas

Crude oil production and refining capacity



Source: Ministry of Petroleum and Natural Gas

Crude oil production has seen negligible growth, with an increase of only 0.7%, while refining capacity has grown by 1% in both FY 2023 and FY 2024. The decline in oil production can be attributed to several factors:

- **Maturing Oil Fields:** A significant portion of India's crude oil is sourced from wells that have been in operation for a long time. As these fields age, their productivity naturally declines, leading to a reduction in overall output.
- **Extracting Difficult Reserves:** The remaining oil reserves in India are often located in challenging environments, such as deep water areas. Extracting oil from these locations requires more advanced and costly technologies compared to onshore or shallow water drilling.
- **Infrastructure Bottlenecks:** India's current oil and gas infrastructure, including pipelines and transportation facilities, may not be sufficient to efficiently manage increased production from new fields. Upgrading this infrastructure demands significant investment.
- **Focus on Imports:** Historically, India has heavily relied on importing crude oil to meet its demands. This established import infrastructure can discourage substantial investment in domestic exploration.

India is the fourth largest refiner in the world, driven by the government's efforts to boost refining capacity due to the country's rising crude oil consumption. This increase in consumption is attributed to the expansion of its industrial, construction, and manufacturing sectors. In the aftermath of the Russia- Ukraine war, Indian refiners have become key players in the global refining landscape. The government's refining push aims to enhance energy security by reducing reliance on imported crude oil, which is subject to price fluctuations and geopolitical risks. By increasing refining capacity, India can process more of its own crude oil and produce finished products, thereby reducing dependence on foreign sources. Additionally, expanding refineries is crucial to meet the growing domestic demand for fuel, driven by economic growth

and rising vehicle ownership. This ensures that there is sufficient capacity to cater to the increasing need for petroleum products. Furthermore, increased refining capacity opens up the potential for India to export refined products, creating additional revenue streams. A strong refining industry also positions India as a significant player in the global oil market, providing more leverage in negotiations and enabling diversification of crude oil sources.

Key Demand Drivers

Polyethylene (PE) and Polypropylene (PP) are two of the most consumed thermoplastic components in the world.

PE is the most commonly produced and consumed polymer compound globally. It finds application in a wide range of products, ranging from every day usage products to niche products. Some of the uses of PE include usage in manufacture of PET bottles, bags & food containers, pipes & pipe fittings. Flexible packaging films, and medical implants, to name a few

The popularity of polypropylene stems from its unique blend of properties including flexibility, moisture resistance, superior impact strength, insulation properties, and the smallest impact⁴ on environment amongst all popular thermoplastics. These unique properties & attributes has led to its usage as mouldings, fibers, tape, foam, and film. In these separate forms PP is used across a wide range of industries including automotive, plastic packaging, technical textiles, and plastic parts used in machinery/equipments. This widespread usage pattern of PP in its various forms across multiple industries has given the commodity a strong and varied demand base.

⁴ PP is considered to produce less solid waste by weight and less carbon dioxide equivalent when compared to other plastics like PET, PS, PVC

Polyethylene and Polypropylene Application in Packaging Sector

PE is one of the most widely used packaging material where its multiple variants – low density polyethylene (LDPE), high density polyethylene (HDPE) and linear low-density polyethylene (LLDPE) – are used for packaging applications in food & beverage industry, medical & pharmaceutical sector, and consumer good packaging.

Superior barrier properties, excellent resistance to moisture, good surface finish along with low cost of the commodity has made PP a preferred packaging material. In packaging sector, it is used in blow moulded and sheet thermoformed form across both rigid and flexible packaging. In rigid packaging PP is used to manufacture crates, bottles, and pots. Thin-walled PP containers are also used in rigid food packaging applications. In flexible packaging, PP is used to manufacture cast film / bi-axially oriented PP films (BOPP) which find widespread applications.

Indian Packaging Industry

Packaging is the fifth largest economic sector in India, and the overall turnover in Indian packaging industry is estimated to reach USD 204 Billion by 2025⁵. The domestic packaging industry is growing by 20 – 22% per annum, and the country is fast becoming a global packaging hub. The lower cost of packaging material compared to Europe and America combined with the cheaper production cost in India has helped the country's packaging sector compete effectively in the global landscape.

Plastic packaging material demand in India is estimated to be nearly 20 million, which is met through a mix of virgin plastics & recycled plastic⁶. Packaging is the largest consumer of plastic products in India, and the sector is estimated to account for more than half of the total plastic consumption in India.

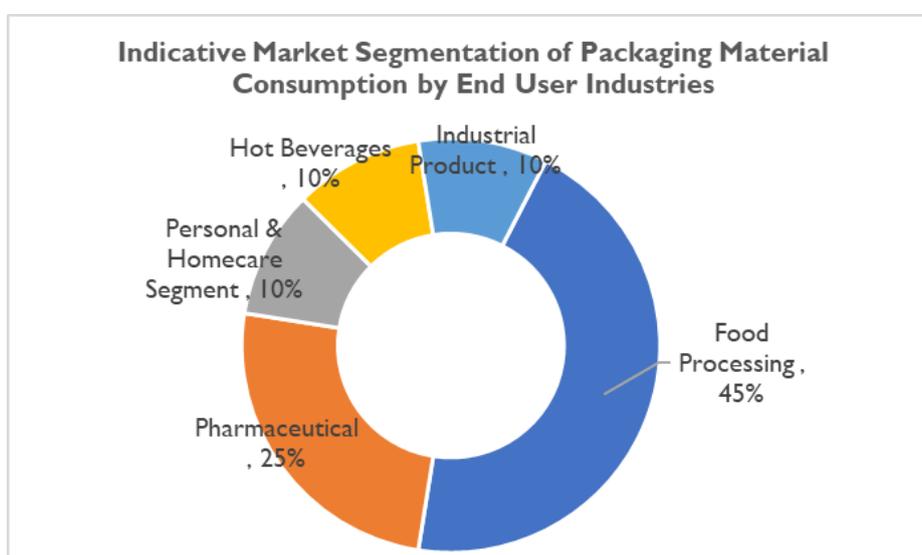
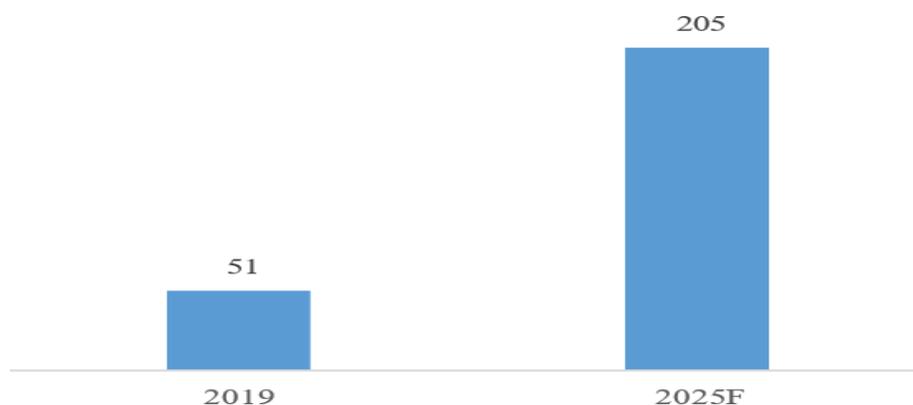
Demand for plastic packaging primarily comes from sectors like Processed food packaging(including Alcoholic & Non Alcoholic beverages), Personal Care products packaging, Pharma packaging, FMCG, Tobacco, and others. Pharmaceuticals, Processed food, and Personal Care products. Based on end user industries, the packaging material consumption is highest in food processing followed by pharma, personal and home care product, hot beverages segment and industrial products.

⁵ Packaging Industry Association of India

⁶ TERI Study Findings, D&B Research

Source: Packaging Industry Association of India

Indian Packaging Industry (in USD Billion)



D&B Research

The Indian economy is experiencing robust growth, fuelled by increasing consumption patterns across various sectors. Supported by rising income level and changing lifestyle, there is noticeable uptick in consumer spending that is significantly contributing to the country's economic expansion. Against this backdrop, key industries are experiencing remarkable growth.

The e-commerce sector, boasting a Gross Merchandise Value surpassing approximately USD 55 billion in 2022, is projected to achieve an annual Gross Merchandise Value of USD 350 billion by 2030. Simultaneously, the food and beverage industry, constituting approximately 3% of India's GDP, is on a trajectory to reach USD 505 billion by 2027 from USD 322 Bn in the year 2022. Further, other key user segments such as FMCG and Pharma are also expected to benefit from the growth in the economy. The expansive growth in these industries inherently leads to an increased demand for packaging. E-commerce relies heavily on efficient packaging for the safe delivery of products.

This strong growth in end user industries, and simultaneous demand for plastic packaging products is expected to directly benefit the demand for PE and PP, which are two of the most used plastic packaging materials.

Polypropylene Application in Automotive Sector

Polypropylene finds widespread application in automotive sector, where it is used in a wide range of exterior and interior applications. These include bumper facias, instrument panels, door trims, wheel covers, gas insulation and tanks. It is estimated that PP accounts for nearly half of all the plastic components that goes into an automobile.

Super chemical & moisture resistance together with strong impact and heat resistance are some of the attributes that has made PP the preferred plastic material by the automotive industry. Moreover, the high recyclability rate of the compound is also emerging as an attribute feature, given the rise in the sustainability initiatives across the globe.

According to a report by European Plastic Recycling Branch (part of European Union Recyclers Association), plastic components accounts for nearly 10-15% of the mass of a car. Considering the average weight of a car at nearly 1,300 kgs, this translates into 150 to 200 kgs of plastic per automobile. Considering that PP accounts for nearly half of total plastic used, the average PP consumption by automotive industry is estimated to be nearly 75 – 100 kgs per car. As the global automotive industry is focusing on producing light weight fuel efficient cars, the percentage of light weight materials like plastics used in cars is expected to go up. Consequently the volume of PP consumed by the automotive industry is expected to increase in the coming years.

Approximately 4.9 million passenger vehicles were manufactured in India in FY 2024. Considering nearly 7100 kgs of PP consumer per vehicle (global average), this translates into a consumption of nearly half a million tons of PP by the Indian automotive industry on an annual basis.

Indian Automotive Industry

Post covid, signs of recovery began to emerge in FY 2022 with production reaching 23.0 million units, and this upward trend continued through FY 2024 with production rising to 28.4 million units. However, production levels have not yet surpassed the pre-pandemic peak of 30.9 million units recorded in FY 2019. Annual production of passenger vehicles (PV) reached approximately 4.9 million units in FY 2024. Between FY 2020 and 24 the annual production of PV in India have increased by a CAGR of 9%.

7 Society of Indian Automobile Manufacturers (SIAM)



Source: Society of Indian Automobile Manufacturers

Indian automotive space has witnessed strong growth in the recent years, as factors like rapid urbanization, increasing income levels, aspirational changes, and flexible financial products have all helped in increasing car ownership. Currently the country is ranked as the third largest car market in the world (in terms of volume sales), and the annual volume sales is expected to reach nearly 6 million units by end of this decade (from the current level of nearly 4.2 million units)⁸. This strong growth in PV sales together with increasing focus on developing light weight and efficient vehicles is expected to augur well for plastic consumption. Volume of PP consumed by automotive industry is thus widely expected to surge in the coming years.

Regulatory framework surrounding petrochemical product import in India

Authorities Involved

The import of petrochemical products into India is regulated by several key authorities. The Directorate General of Foreign Trade (DGFT) under the Ministry of Commerce and Industry plays a pivotal role in formulating and implementing import policies. DGFT issues Import Policy notifications, Export Policy, and Control Orders that govern the importation of goods, including petrochemical products. Importers must adhere to these policies and obtain necessary licenses or permissions as per the Import Policy.

Customs authorities oversee the physical movement of goods into the country and enforce tariff classifications and duty payments. They operate under the Central Board of Indirect Taxes and Customs (CBIC), which administers the Customs Tariff Act to determine duties applicable to petrochemical imports. Compliance with customs regulations is essential for proper clearance and entry into India.

The Ministry of Environment, Forest and Climate Change regulates environmental aspects related to the importation and handling of petrochemical products. Importers must comply with environmental norms to ensure the safe storage, handling, and transport of hazardous chemicals, thereby mitigating environmental risks and ensuring public safety.

8 Industry Sources, SIAM

Standards and Compliance Requirements

Bureau of Indian Standards (BIS) sets forth standards for petrochemical products to ensure quality, safety, and reliability. Compliance with BIS standards is mandatory for imported petrochemicals to ensure they meet Indian regulatory requirements. This includes specifications for product quality, packaging, labeling, and conformity assessment procedures.

Petroleum and Natural Gas Regulatory Board (PNGRB) regulates downstream activities in the petroleum sector, including refining and distribution. While primarily focused on petroleum products, its regulations may also impact certain petrochemical imports, especially those closely related to the petroleum industry.

Taxation and Duties

Currently, the customs duties on these products are approximately 7.5%. Imported petrochemical products are subject to multiple taxes and duties. The Goods and Services Tax (GST) applies to the value of imported goods, while Customs Duties—including Basic Customs Duty (BCD), Countervailing Duty (CVD), and Special Additional Duty (SAD)—are imposed based on the classification and value of the products. Importers must accurately declare the value and classification of their goods to ensure correct assessment and payment of these duties.

Trade Agreements and Preferences

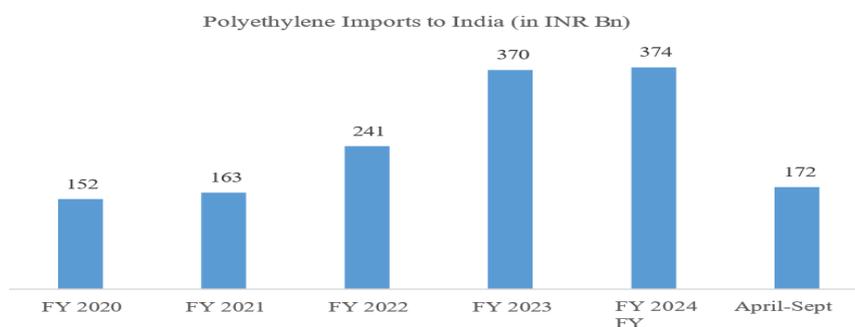
India participates in several bilateral and multilateral trade agreements that may offer preferential tariff rates or exemptions for certain petrochemical products. Importers can benefit from these agreements by meeting specific rules of origin and compliance criteria outlined in each agreement. Leveraging these agreements can reduce import costs and facilitate smoother trade relations with partner countries.

Trade Analysis

Import & Export of Polyethylene⁹

India is a net importer of polyethylene with value of annual imports touching INR 374 Bn in FY 2024 against an annual export value of approximately INR 43 Bn in the same year. Strong imports of polyethylene is on account of a combination of insufficient domestic production as well as competitive cost of imported products as against domestic supply.

9 HS code 3901 is considered



Source: Ministry of Commerce

| Commodity (in INR Billion) | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Apr - Sep FY 2025 |
|---|---------|---------|---------|---------|---------|-------------------|
| Polyethylene with gravity of <0.94 ¹⁰ | 28 | 21 | 27 | 33 | 31 | 23 |
| Polyethylene with gravity of 0.94 or More ¹¹ | 41 | 48 | 63 | 140 | 164 | 64 |
| Linear Low-Density Polyethylene ¹² | - | 9 | 15 | 21 | 21 | 13 |
| Linear Low-Density Polyethylene ¹³ | 22 | 15 | 21 | 44 | 36 | 12 |
| Low Density Polyethylene ¹⁴ | - | 14 | 27 | 24 | 29 | 23 |

10 HS code 39011090

11 Hs code 39012000

12 HS code 39014010

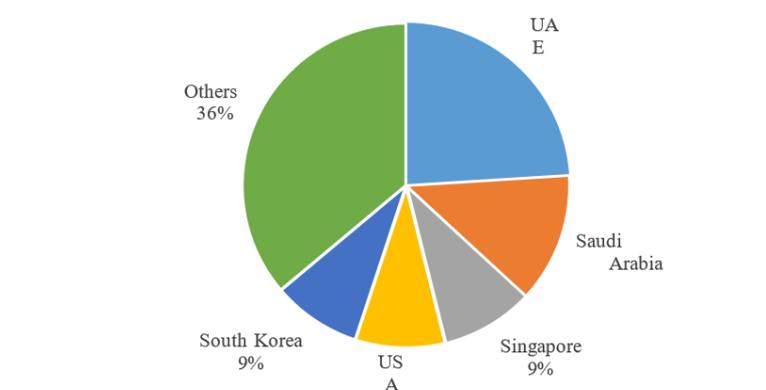
13 HS code 39011010

14 HS Code 39011020

India's import trends for polyethylene highlight varying patterns across categories, driven by domestic demand and application-specific requirements. Polyethylene with a specific gravity of less than 0.94 saw fluctuations, declining from INR 28 billion in FY 2020 to INR 21 billion in FY 2021, rebounding to INR 33 billion in FY 2023, and then moderating to INR 23 billion during April–September FY 2025, possibly due to increasing domestic supply or reduced demand. In contrast, imports of polyethylene with a specific gravity of 0.94 or more surged from INR 41 billion in FY 2020 to INR 164 billion in FY 2024, reflecting robust demand for high-strength applications, though FY 2025 imports (April–September) showed signs of moderation at INR 64 billion. Linear low-density polyethylene (LLDPE) imports varied across sub-categories, with one segment growing from INR 9 billion in FY 2021 to INR 21 billion in FY 2024, while another peaked at INR 44 billion in FY 2023 before declining to INR 12 billion in FY 2025. Low-density polyethylene (LDPE) imports have steadily risen, from INR 14 billion in FY 2021 to INR 29 billion in FY 2024, maintaining strong demand at INR 23 billion during the first half of FY 2025, driven by its extensive use in packaging and films. These trends underscore the growing reliance on imports for high-gravity polyethylene and LDPE, while lower-gravity polyethylene and some LLDPE segments show signs of reduced import dependency or shifting market dynamics.

Approximately 64% of the total value of polyethylene imported to India comes from five countries – namely UAE, Saudi Arabia, Singapore, USA and South Korea. Of this, UAE is the largest exporter of polyethylene to India, accounting for nearly one fourth of the total value of polyethylene imports to India in FY 2024.

Polyethylene Imports to India (FY 2024)



Source: Ministry of Commerce

Meanwhile, annual export of polyethylene from India is estimated to be nearly INR 43 Bn in FY 2024. The value of polyethylene imported to India has been declining steadily, falling from INR 66.4 Bn in FY 2020 to the current value of INR 43 Bn. Domestic production capacity of polyethylene have improved over the years, however the rising domestic demand is expected to have slowed down exports.

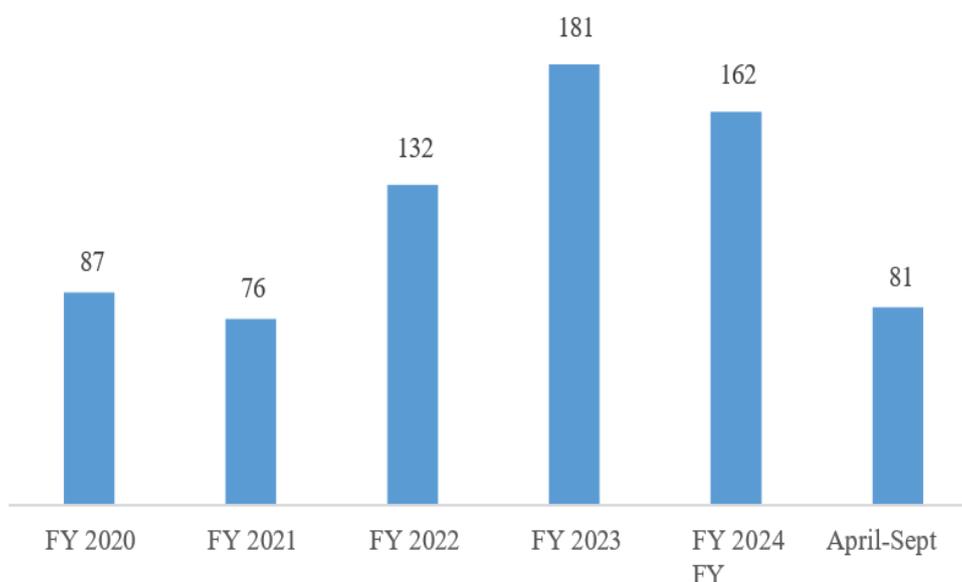
China was the largest export market for Indian PE industry in FY 2024. Approximately one fourth of total value of PE exports in FY 2024 came from exports to China. Other notable export destinations include Nepal, Vietnam, Egypt and Bangladesh.

Import & Export of Polypropylene¹⁵

Just like polyethylene, India is also a net importer of polypropylene. Annual value of polypropylene imported to India reached INR 162 Bn in FY 2024, as against an annual export value of INR 35 Bn in the same year.

During the time period FY 2020 – 24, the annual import value of polypropylene has almost doubled, increasing from INR 87 Bn in FY 2020 to the current value of INR 162 Bn (in FY 2024). This translates into a CAGR of nearly 17% during the time period. During the first six months of FY 2025 (April – September), the value of PP imports reached INR 81 Bn.

Polypropylene Imports to India (in INR Bn)



Source: Ministry of Commerce

| Commodity (in INR Billion) | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | Apr - Sep FY 2025 |
|--|---------|---------|---------|---------|---------|-------------------|
| Polypropylene ¹⁶ | 56 | 48 | 85 | 125 | 106 | 59 |
| Polypropylene Copolymers ¹⁷ | 24 | 22 | 37 | 44 | 44 | 29 |

India's imports of polypropylene and its copolymers have demonstrated distinct patterns in recent years, reflecting changes in industrial demand. Polypropylene imports increased from INR 56 billion in FY 2020 to INR 85 billion in FY 2022, followed by a rise to INR 125 billion in FY 2023. Subsequently, imports declined to INR 106 billion in FY 2024 and recorded INR 59 billion during the first half of FY 2025. Polypropylene copolymers showed consistent growth, with imports increasing from INR 24 billion in FY 2020 to INR 37 billion in FY 2022 and remaining stable at INR 44 billion in both FY 2023 and FY 2024. During April–September FY 2025, imports were reported at INR 29 billion, indicating steady demand from key sectors such as automotive, packaging, and consumer goods. There has been stable growth in the polypropylene copolymer segment, while polypropylene imports reflect fluctuations influenced by market conditions and production capabilities.

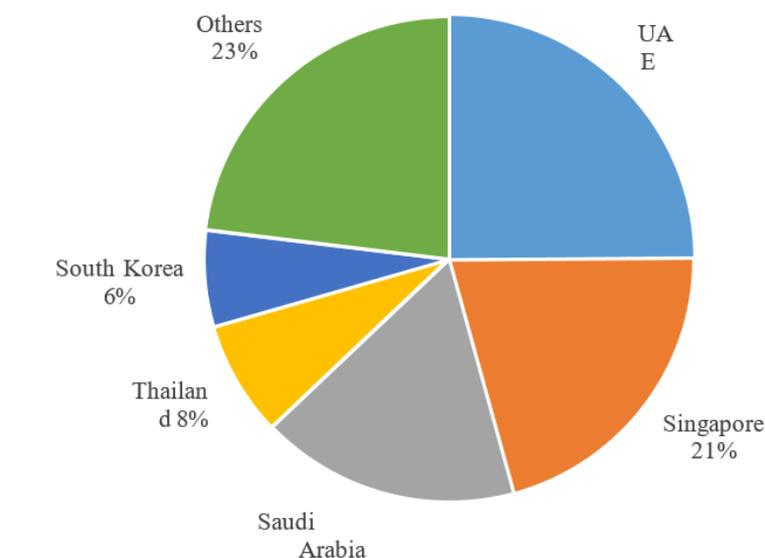
15 HS code 3902 considered

16 HS code 39021000

17 HS code 39023000

Bulk of India's import of polyethylene comes from UAE, Singapore, Saudi Arabia, South Korea and Thailand. These are the same countries who are the major exporters of polyethylene to India. In FY 2024, UAE the largest exporter of polypropylene to India accounted for nearly 24% of the total value of PP imports to India during the year.

Polypropylene Imports to India (FY 2024)



On the other hand, the overall export of polypropylene from India in FY 2024 yielded an export revenue of approximately INR 34.6 Bn. PP exports from India has been steadily declining for the past couple of years, falling from INR 57 Bn in FY 2021 to the current level.

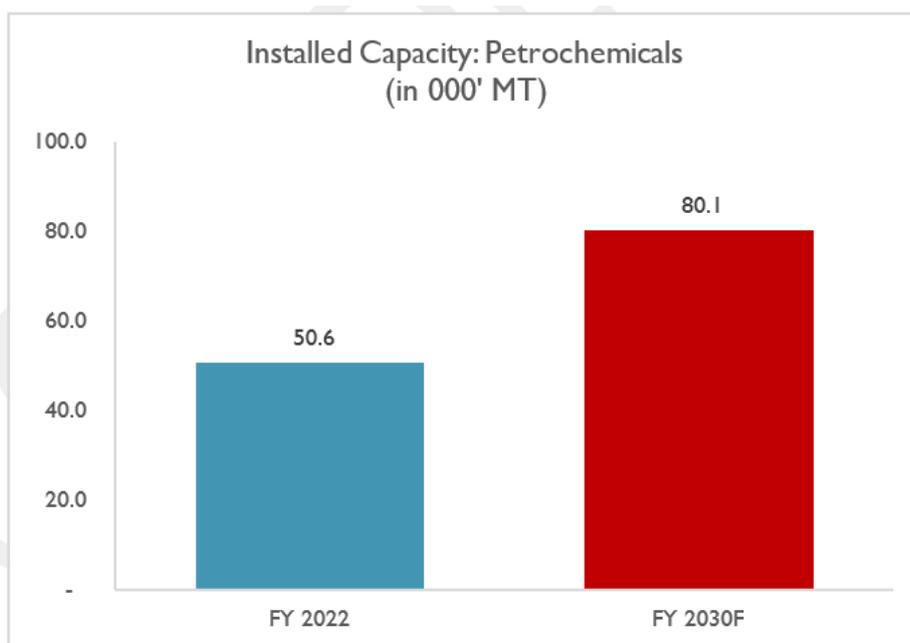
Growth Forecast

While the historical performance of Indian chemical industry has been exemplary, the future holds even better growth opportunities. Domestic chemical consumption is rising steadily, and the country is expected to account for more than 20% of the incremental global consumption of chemicals that would happen globally in near future. The steady growth in industrial production is a key demand enabler.

In addition, India is also positioning itself as a global chemical manufacturing hub, to meet the growing global demand. The evolving geopolitical scenario (the impact of events like Covid-19 pandemic and Russia – Ukraine conflict on global supply chain) has raised the question to relook the existing manufacturing landscape. Developed economies are looking at options beyond China to source products. This geopolitical scenario is expected to benefit India, which already has a very strong chemical manufacturing infrastructure.

The strong domestic demand, and the ascendance of India as a global chemical manufacturing hub are expected to accelerate the growth in chemical & petrochemical production in India. By the end of this decade, the annual production of petrochemicals is expected to reach nearly 70.6 thousand MT

The petrochemical industry will have to gear up to meet the expected demand that would materialize over the course of this decade. For that to happen, the industry will have to massively upgrade its installed production capacity. At present, India has the capability to produce nearly 51 million tons of petrochemicals per annum. To support the anticipated growth in demand & production, India will have to scale up its installed petrochemical production capability to 80 mtpa by FY2030.



Source: Ministry of Chemicals. D&B Estimates

The above scenario envisages an addition of nearly 29.5 million tons of additional capacity in chemical and manufacturing space within the next six to seven years (FY 2023-30 period). The capex cycle in chemical manufacturing for this decade would be focused primarily on building up that capacity.

Competitive Landscape

The Indian polymer trading industry is a dynamic and complex, shaped by a mix of domestic leaders and international players. A key driver of competition is integration, as companies aim to manage the entire value chain, from raw material sourcing and production to distribution and marketing. This integrated approach enhances cost control and product quality. Access to resources also plays a pivotal role in defining competitive advantage, with firms having secure supplies of petrochemical feedstocks or partnerships with resource- abundant nations standing out.

The industry is broadly divided into two segments: upstream (production of polymers and feedstocks) and downstream (distribution, trading, and end-user applications). In the upstream segment, public sector undertakings (PSUs) like Indian Oil Corporation (IOC) and GAIL dominate, contributing significantly to India's polymer production. Meanwhile, the downstream trading sector sees a more diverse set of participants. Here, IOC continues to leverage its extensive distribution network, while private enterprises like Reliance Industries Limited (RIL) also hold a significant position supported by their robust manufacturing capacities. Global players such as BASF and Dow are also increasingly active in the market, offering specialized products and expanding their footprint in India.

This combination of established PSUs, agile private firms, and influential multinational corporations fosters a competitive environment where innovation, efficiency, and market responsiveness are critical for success.

Profiling of Key Players



TEGRA

Company Profile - TEGRA

- The TEGRA Group specializes in the development and distribution of construction chemical products. By adhering to high operational standards and fostering customer trust, the group has expanded its reach from Western Europe to the Far East.
- Headquarters: Lithuania
- Year Founded: 1995

Services

- **Development and Distribution:** Specializes in developing and distributing construction chemical products, including adhesives, sealants, mounting foams, spray paints, and tapes.
- **Customized Solutions:** Provides tailored product development services, from identifying market demands to launching products in collaboration with customers.
- **Product Demonstrations:** Offers product presentations and hands-on trials to help customers understand and evaluate the quality and applications of its offerings.

Strengths

- **Geographic Reach:** Expanded operations from Western Europe to Asia, with active markets in countries like Poland, Sweden, Germany, and Mongolia.
- **High Standards:** Products manufactured in EU-based factories adhering to stringent quality controls, ensuring reliability and international standards compliance.
- **Innovative Work Culture:** Encourages creativity and personal development within its team, supported by initiatives like the 'inTegra House' workshop and a 4+1 work week model to enhance skills and innovation.



RAMNIKLAL S. GOSALIA & CO.

Company Profile - Ramniklal Gosalia & Co.

- Ramniklal S. Gosalia & Co., a chemical importer and distributor in India, focuses on providing innovative solutions, quality products, and exceptional services to enhance customer competitiveness.
- Headquarters: Maharashtra, Mumbai
- Year Founded: 1954

Services

- **Import Sourcing:** R.S.G., with over seven decades of experience, supports overseas associates through market intelligence, product development, import expertise, and seamless collaboration. It addresses sourcing challenges in India, ensuring reliable partnerships and effective market penetration.
- **Overseas Market:** Sourcing from India involves challenges like supplier selection, performance standards, and navigating market complexities. With over seven decades of experience, R.S.G. effectively addresses these issues, ensuring reliable and efficient sourcing solutions.

Strengths

- **Wide Product Range:** RSG offers a diverse portfolio of chemicals, including solvents, specialty fine chemicals, and polymers, catering to a variety of industries like paints & coatings, pharmaceuticals, and plastics.
- **Extensive Network:** With multiple regional and branch offices, along with 9 warehouses covering significant areas, RSG ensures efficient distribution and close interaction with both bulk and retail end-users.
- **National Presence:** The company has a robust pan-India presence, enabling it to serve a wide range of customers across the country.



TRICON POLYMERS

Company Profile - Tricon Polymers Private Limited

- Tricon Group, manufacturer and service provider of high-quality engineering products for infrastructure projects. With state-of-the-art facilities and a focus on innovation.
- Headquarters: Maharashtra, Navi Mumbai
- Year Founded: 1978

Services

- **Installation & Supervision:** Professional installation and on-site supervision to ensure proper setup and adherence to specifications.
- **Inspection, Maintenance, & Repair:** Regular inspections, maintenance, and repair services to ensure long-term performance and reliability.
- **In-house Designing & Customer Support:** Customized design solutions tailored to client needs, along with ongoing customer support for seamless product usage.

Strengths

- **Comprehensive Product Range & Customized Solutions:** Tricon Group offers a wide array of high-quality products like structural bearings and expansion joints, along with customized solutions and services such as installation, maintenance, and in-house design to ensure optimal performance. For example, they supplied Neoprene and Pot Bearings for the Mumbai Metro project.
- **Infrastructure with Quality and Innovation:** With extensive experience in delivering critical infrastructure projects, Tricon Group supports large-scale ventures like metro rail systems, highways, and bridges with high-quality, innovative solutions.
- **Strong Market Presence:** Tricon Group has a significant share in Indian infrastructure projects and has built a robust export and joint venture network with reputed international manufacturers, ensuring global reach and reliability.

OUR BUSINESS

Some of the information in the following discussion, including information with respect to our business plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” beginning on page 18 for a discussion of the risks and uncertainties related to those statements and “Risk Factors” beginning on page 28 for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “Risk Factors,” “Industry Overview,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Information” on pages 28, 96, 232 and 192, respectively.

Unless otherwise indicated or the context requires otherwise, the financial information included herein is based on our Restated Financial Information for the period ended December 31, 2024 and for the Fiscals 2024, 2023 and 2022 included in this Draft Prospectus. For further information, see “Restated Financial Information” beginning on page 192. Our fiscal year ends on March 31 of each year, and references to a particular Fiscal are to the 12 months ended March 31 of that year.

Unless otherwise indicated, or if the context otherwise requires, in this section, references to “the Company” or “our Company” or “we,” “us,” and “our” are to Bhavik Enterprises Limited.

Unless otherwise indicated, industry and market data used in this section have been derived from the report titled “Industry Report on Indian Petrochemical Industry (With Focus on Polymers)” dated December 24, 2024 (“the D&B Report”) prepared and released by Dun & Bradstreet Information Services India Private Limited (“Dun & Bradstreet”) appointed by us on and exclusively commissioned and paid for by us in connection with the Offer. A copy of the D&B Report is available on the website of our Company at www.bhavikenterprises.com/investor-relations. D&B India is an independent agency which has no relationship with our Company, our Promoters and any of our directors or KMPs or SMPs. Unless otherwise indicated, financial, operational, industry and other related information derived from the D&B Report and included herein with respect to any particular year refers to such information for the relevant financial year. For further details, see “Risk Factors — Internal Risks — Certain sections of this Draft Prospectus disclose information from the D&B Report which has been prepared exclusively for the Offer and commissioned and paid for by us exclusively in connection with the Offer and any reliance on such information for making an investment decision in the Offer is subject to inherent risks” on page 28.

OVERVIEW

Incorporated on September 15, 2008, we are engaged in trading of polymers primarily in Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries such as packaging, infrastructure, agriculture and many more. We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base. Our comprehensive product portfolio under Polyethylene (PE) includes LLDPE, LDPE, HDPE and MLLDPE. Under Polypropylene (PP), our product portfolio consists of Homo polymer, Impact Co-polymer and Random Co-polymer. Our company’s business model emphasizes “Stock & Sale” catering to small, medium and large customers as per their requirement. We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacturer of plastic product. These end use customers include manufacturers of pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP films, liners, EPE foam, woven sack bags, spun bond nonwoven fabric, paint pails, crates, houseware products, suitcases, thin wall containers.

Polyethylene (PE) and Polypropylene (PP) are two of the most consumed thermoplastic components in the world. PE is the most commonly produced and consumed polymer compound globally. It finds application in a wide range of products, ranging from every day usage products to niche products. Some of the uses of PE include usage in manufacture of PET bottles, bags & food containers, pipes & pipe fittings. Flexible packaging films, and medical implants, to name a few. The popularity of polypropylene stems from its unique blend of properties including flexibility, moisture resistance, superior impact strength, insulation properties, and the smallest impact¹ on environment amongst all popular thermoplastics. These unique properties & attributes has led to its usage as mouldings, fibers, tape, foam, and film. In these separate forms PP is used across a wide range of industries including automotive, plastic packaging, technical textiles, and plastic parts used in machinery/equipment’s. This widespread usage pattern of PP in its various forms across multiple industries has given the commodity a strong and varied demand base. (Source: D&B Reports)

¹ PP is considered to produce less solid waste by weight and less carbon dioxide equivalent when compared to other plastics like PET, PS, PVC

Our Company is an authorized distributor of Borouge Pte Ltd to market and sell “Borouge” products in India. Borouge Pte Ltd is a Singapore based multinational company which is engaged in manufacturing and distribution of Polyethylene (PE) and Polypropylene (PP) and related compounds. We also share business relation with another petrochemical multinational company i.e., Basell International Trading FZE, a Dubai based Company from whom we are regularly importing the “LyondellBasell” products and sell it in India. Basell International Trading FZE is the producers of versatile plastic resins, such as polypropylene, polypropylene compounds and polyethylene. We import the products from these overseas suppliers and sell it in domestic market as per prevailing market price.

Following is our revenue bifurcation on the basis of our products category as on December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

| Product Vertical | December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|------------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | Revenue from Operations | % |
| Polypropylene | 16,505.54 | 42.73% | 21,265.45 | 43.04% | 23,481.87 | 48.19% | 16,513.76 | 58.20% |
| Polyethylene | 22,124.36 | 57.27% | 28,146.92 | 56.96% | 25,244.70 | 51.81% | 11,862.60 | 41.80% |
| Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Our business in polymers industry has been established four decades ago. Our promoter, Mr. Mukesh Natverlal Thakkar has started his carrier with the trading business of plastic raw material in the year of 1977 through his proprietorship firm “M/s. Emmen Plastics”. Further a partnership firm “M/s Bhavik Enterprises” has been established in the year of 1984 by one of our promoters, Mrs. Purnima Mukesh Thakkar which was dealing in all kind of plastic powder and allied lines. In the year of 1992, Mr. Mukesh Natverlal Thakkar has joined the said partnership firm through Mukesh N Thakkar HUF. Our Company was incorporated on September 15, 2008, as a public Limited Company in the name of “**Bhavik Enterprises Limited**” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently our Company has acquired the entire running business of “M/s. Emmen Plastics” and “M/s Bhavik Enterprises” on a going concern basis, along with all its assets and liabilities, through a Business Transfer Agreement dated January 22, 2009.

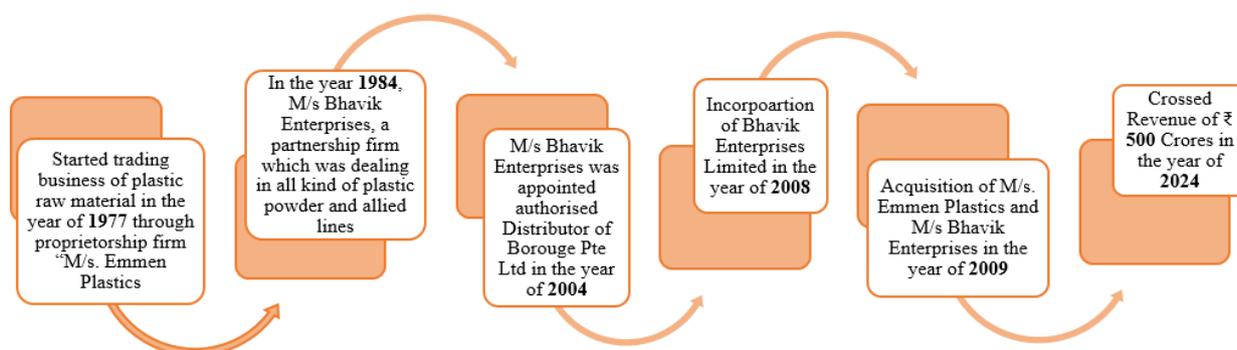
Currently we are supplying our products in various states of India includes Gujarat, Maharashtra, Rajasthan, Diu-daman, Uttar Pradesh, Telangana, Chhattisgarh, Madhya Pradesh, Haryana, Delhi. A majority of our sales are derived from the states of Maharashtra, Gujarat, Rajasthan, and the Union Territory of Diu and Daman. For the period ended December 31, 2024, and for the financial years ended March 31, 2024, 2023, and 2022, our sales from these four regions amounted to ₹34,474.07 Lakhs, ₹41,931.05 Lakhs, ₹41,290.67 Lakhs, and ₹24,824.67 Lakhs, respectively, constituting 89.24%, 84.88%, 84.85%, and 87.49% of our Revenue from Operations for the respective periods. We gradually intend to expand our business operations to other states of the country as well as into global markets also. We focus on maintaining a seamless supply chain by leveraging our expertise in logistics, procurement, pricing and ensuring timely deliver to our customers. For the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022, we have supplied 39,609.96 metric tons 50,300.90 metric tons, 44,524.10 metric tons and 24,535.65 metric tons respectively of polymers, underscoring our operational scale and growth trajectory.

Our Company is certified with ISO 9001:2015, committed to ensuring traceability in our supply chain, which has become increasingly important in the global trade of polymers. By adhering to good practices in procurement, storage, and transportation, we ensure that our product is delivered to the customers in timely manner. Our operations are also guided by our focus on sustainability and ethical trading. Our Company works closely with its alliance to adopt practices that align with environmental and social governance principles. This includes ensuring fair practices in sourcing and distribution. By integrating sustainability into our business model, we aim to contribute positively to the communities we operate in, while addressing the evolving expectations of our stakeholders.

We are led by our promoters Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Mrs. Purnima Mukesh Thakkar. Mr. Mukesh Natverlal Thakkar and Mrs. Purnima Mukesh Thakkar are having more than four-decade experience in the plastic polymers Industry. Mr. Bhavik Mukesh Thakkar has more than 15 years of experience in the plastic polymers Industry. Our Promoters remains deeply involved in the day-to-day operations, bringing their business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We attribute our market position to the vision and experience of our Promoters, KMP’s and also senior management who have demonstrated their ability to anticipate and capitalize on changing market trends. For further details of our promoters and our management,

please see chapter titled “Our Promoters and Promoter Group” and “Our Management” on pages 184 and 169 of this Draft Prospectus.

Our journey in Polymer Industry:



Since our incorporation, we have maintained a steady and resilient financial performance, reflecting our management's effectiveness, customer-centric approach, and strong customer relationships. For the nine-month period ended December 31, 2024, and the fiscal years 2024, 2023, and 2022, our total revenues were ₹38,629.90 lakhs, ₹49,412.37 lakhs, ₹48,726.56 lakhs, and ₹28,376.36 lakhs, respectively.

KEY PERFORMANCE INDICATORS OF OUR COMPANY

(₹ in Lakhs)

| Key Financial Performance | For the period ended December 31, 2024 | For the Financial Year ended | | |
|---|---|------------------------------|-------------------|-------------------|
| | | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Revenue from Operations ⁽¹⁾ | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| EBITDA ⁽²⁾ | 153.28 | 482.72 | 1,746.64 | 556.51 |
| EBITDA Margin (%) ⁽³⁾ | 0.40% | 0.98% | 3.58% | 1.96% |
| PAT ⁽⁴⁾ | 408.39 | 789.12 | 1,555.97 | 676.14 |
| PAT Margin (%) ⁽⁵⁾ | 1.06% | 1.60% | 3.19% | 2.38% |
| Return on Equity (%) ⁽⁶⁾ | 4.33% | 8.93% | 20.30% | 10.32% |
| Return on Capital Employed ⁽⁷⁾ | 5.72% | 11.55% | 24.70% | 13.21% |
| Debt to Equity Ratio (times) ⁽⁸⁾ | NA | NA | NA | NA |
| Net Fixed Asset Turnover Ratio ⁽⁹⁾ | 320.20 | 366.08 | 316.11 | 233.39 |
| Current Ratio (times) ⁽¹⁰⁾ | 2.23 | 2.91 | 2.04 | 2.27 |

Notes: As certified by our Auditors, by way of their certificate dated April 12, 2025.

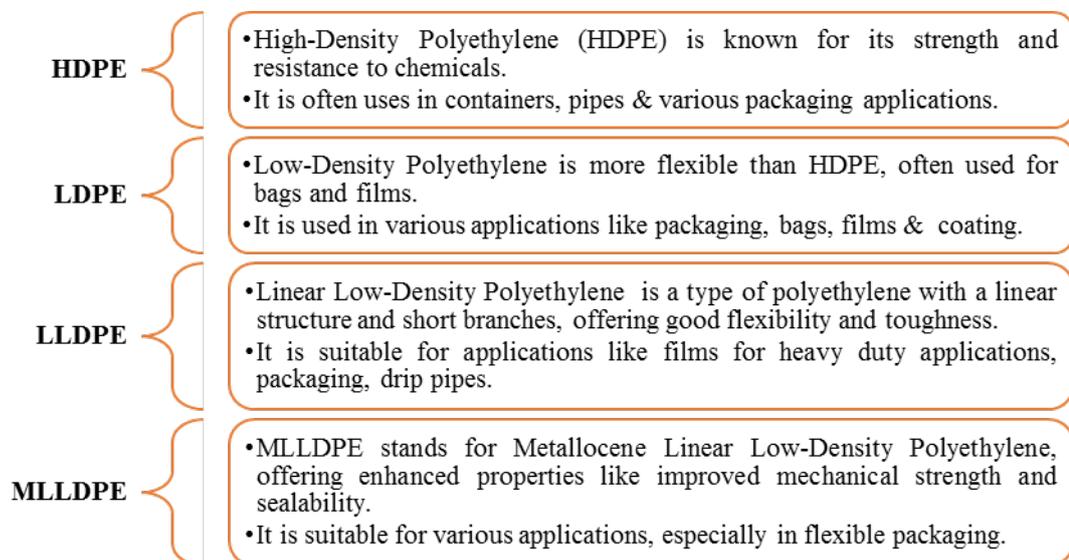
Explanation of KPIs:

- 1) Revenue from operation means revenue from sales and other operating revenues
- 2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- 3) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- 4) PAT is calculated as Profit before tax – Tax Expenses
- 5) PAT Margin' is calculated as PAT for the year divided by revenue from operations
- 6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- 7) Return on Capital Employed is ratio of EBIT and Capital Employed, where Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- 8) Debt to Equity ratio is calculated as Long Term Debt + Short Term Debt divided by equity
- 9) Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets
- 10) Current Ratio is calculated by dividing Current Assets to Current Liabilities

OUR PRODUCTS PORTFOLIO

We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter. We are supplying a wide range of polymer materials such as Polyethylene (PE) and Polypropylene (PP) with various grades such as LLDPE, LDPE, HDPE and MLLDPE under Polyethylene category and Homo polymer, Impact Co-polymer and Random Co-polymer under Polypropylene category.

POLYETHYLENE (PE): Polyethylene granules is a versatile, commodity extensively used in consumer products and packaging industry. Polyethylene is a lightweight, durable, synthetic resin derived from the polymerization of ethylene, used in various applications like packaging, films, and containers etc. We are dealing in various types and grades of polyethylene such as HDPE, LDPE, LLDPE and MLLDPE which we import from our overseas suppliers having distinctive features. Following are the types of polyethylene in which we are dealing:



Following is the list of our product along with the grads and application:

“BOROUGE” Polyethylene Application:

| Film Grades | Grade | Density | MFR (2.16 Kg) | Application |
|-----------------------|--------|---------|---------------|---|
| LLDPE | FB1350 | 935 | 0.15 | Shrink film, Industrial film, Heavy duty shipping sacks |
| LLDPE | FB1200 | 921 | 0.17 | Heavy duty and wide width film, compression packaging |
| LLDPE | FB2230 | 923 | 0.25 | Heavy duty bags, Liners, Shrink film, Milk packaging, Lamination film |
| HDPE | FB5600 | 960 | 0.7 | Lamination films, Food packaging films, Lamitubes, Shrink film |
| HDPE | MB6561 | 955 | 1.5 | Caps and closures for beverages food and Industrial packaging |
| HDPE | MB6562 | 955 | 1.5 | Closures for carbonated soft drink, tea, juices |
| LDPE- Heavy Duty | FT5230 | 923 | 0.75 | Shrink film, Agriculture film, Lamination |
| LDPE- Milk Pouch | FT5236 | 923 | 0.75 | Lamination, Liquid Packaging, General purpose pouches |
| LDPE- Foam | FT6230 | 923 | 2 | FFS bags, Lamination, Shopping bags/ Air bubble films |
| LDPE- General Purpose | FT6236 | 923 | 2 | FFS bags, Lamination, Shopping bags/High gloss films |

| Metallocene | Grade | Density (Kg/M3) | MFR (2.16 Kg) | Application |
|-------------|--------|-----------------|---------------|---|
| Non-Slip | FK1820 | 918 | 1.5 | Lamination, Frozen food packaging, Agriculture film |
| Slip | FK1828 | 918 | 1.5 | Lamination, Frozen food packaging, Agriculture film |
| Slip | FK1826 | 918 | 1.5 | Lamination, Frozen food packaging, Agriculture film |

| HDPE Pipe | Grade | Density (Kg/M3) | MFR (2.16 Kg) | Application |
|---------------------------|----------|-----------------|---------------|--|
| HDPE Black Compound-PE100 | HE3490LS | 960 | 0.25 | Pressure pipe for water & gas industrial application |

| | | | | |
|-----------------------------|------------|-----|------|--|
| HDPE Black Compound-PE100 | HE3490LSH | 960 | 0.25 | Pressure pipe for water & gas industrial application |
| HDPE Black Compound-PE100 | HE3490ELSH | 960 | 0.17 | Pressure pipe for water & gas industrial application |
| HDPE Black Compound-PE80 | ME3440 | 954 | 0.8 | Gas distribution, irrigation, cable protection pipes |
| HDPE Black | HE1440 | 954 | 0.5 | Sprinkler irrigation pipes, Non pressure utility pipes |
| HDPE Black | HE3310 | 958 | 0.6 | Non pressure pipes |
| HDPE Black Compound-PE100 | HE3490LS | 960 | 0.25 | Pressure pipe for water & gas & industrial application |
| HDPE Orange Compound- PE100 | HE3492LSH | 960 | 0.17 | Pressure pipe |
| HDPE Yellow Compound- PE80 | ME3441 | 944 | 0.8 | Pressure pipe for natural gas |
| HDPE Blue Compound-PE80 | ME3444 | 943 | 0.8 | Pressure pipe for drinking water |

| LLDPE Pipe | Grade | Density (Kg/M3) | MFR (2.16 Kg) | Application |
|---------------|--------|-----------------|---------------|--|
| LLDPE Natural | LE2270 | 926 | 0.22 | Irrigation pipe |
| LLDPE Natural | LE1711 | 917 | 1.2 | General purpose film applications and blending, Drip irrigation pipe |

| Wire & Cable | Grade | Density (Kg/M3) | Mfr (2.16 Kg) | Application |
|--------------|--------|-----------------|---------------|---|
| HDPE Black | HE6062 | 954 | 0.5 | Jacketing of communication & power cables |
| MDPE Black | ME6052 | 948 | 0.7 | Jacketing of communication & power cables |

“LYONDELLBASELL” Polyethylene Application

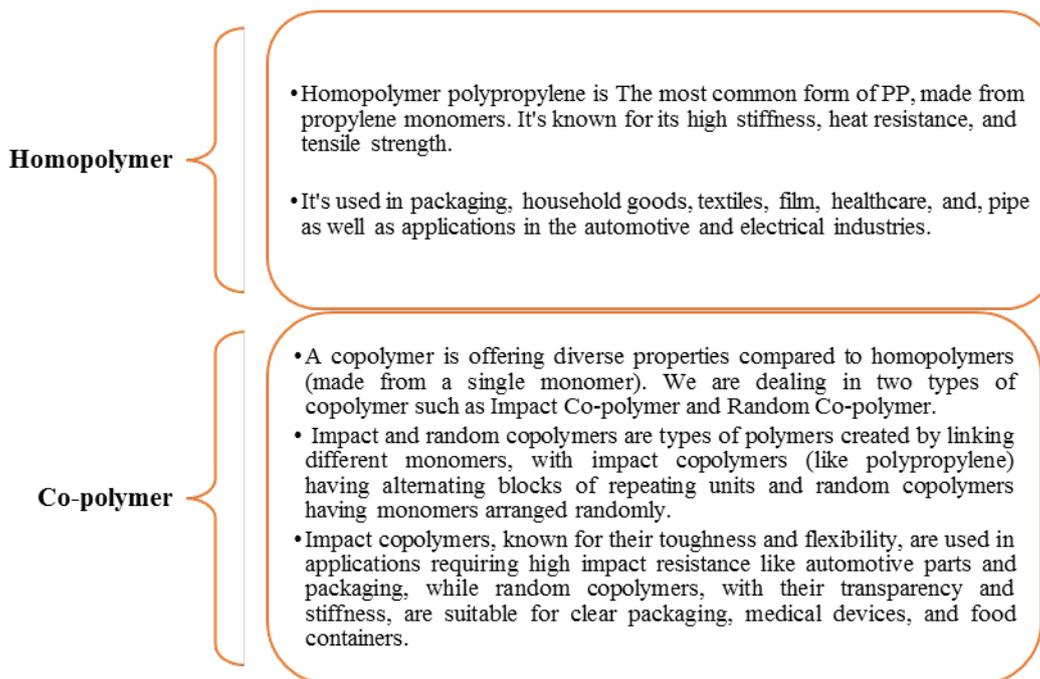
| Film Grades | Grade | Density | MFR (2.16 Kg) | Application |
|------------------------|---------|---------|---------------|---|
| LLDPE - Slip | GA1810T | 923 | 1 | Agriculture Film, Bags & Pouches, Food Packaging Film |
| LLDPE -Non Slip | GA1810 | 923 | 1 | Agriculture Film, Bags & Pouches, Food Packaging Film |
| LDPE - Heavy Duty | 2221D | 922 | 0.25 | Agriculture Film, Can Liners, Clarity Film, Heavy Duty Packaging, Shrink Film |
| LDPE - Milk Pouch | LD2427F | 924 | 0.75 | Bags & Pouches, Blown Film, Film, Food Packaging Film |
| LDPE - Foam | LD2421H | 924 | 1.9 | Bags & Pouches, Hygiene Film |
| LDPE - General Purpose | LD2427K | 924 | 4 | Blown Film, Cast Film, Film, Food Packaging Film |

| HDPE Pipe | Grade | Density (Kg/M3) | MFR (2.16 Kg) | Application |
|-----------------------------|--------|-----------------|---------------|---|
| HDPE Natural -PE100 | L4904 | 949 | 0.18 | Pressure pipe |
| HDPE Black Compound - PE100 | CRP100 | 959 | 0.23 | Pressure Pipe, Industrial Pipe, Drinking Water Pipe |
| HDPE Black Compound | 5052B | 960 | 0.60 | Non-pressure pipes |

POLYPROPYLENE (PP): Polypropylene (PP) is a tough, rigid, crystalline thermoplastic polymer derived from the monomer propylene. Polypropylene (PP) is a versatile, durable, and chemical-resistant plastic. It is characterized by its low density, making it the lightest among commodity plastics, and exhibits excellent chemical resistance. PP is available in homopolymer and copolymer forms and can be enhanced with various additives to suit specific applications. With its wide

range of properties and cost-effectiveness, polypropylene finds extensive use in industries such as packaging, textiles, automotive, and more.

The details of the products in which we deal is as follows:



Following is the list of our product along with the grads and application:

“BOROUGE” Polypropylene Application

| Moulding | Grade | MFR (2.16 Kg) | Application |
|---------------------|---------|---------------|--|
| Homopolymer | HD168MO | 10 | Closures, Houseware, General Packaging |
| Homopolymer | HE125MO | 12 | Houseware and thin wall Packaging |
| Homopolymer | HG385MO | 25 | Caps and closures, Packaging, Houseware |
| Homopolymer | HJ333MO | 75 | Takeaway food packaging, Thin wall containers |
| PPCP | BD265MO | 7 | Crates, Boxes and Pallets, Toys, Furniture |
| PPCP | BD950MO | 8 | Caps and closures for beverage, food and industrial packaging |
| PPCP | BE961MO | 12 | Crates and boxes, Ice cream containers |
| PPCP | BF970MO | 20 | Crates, trays, boxes, pails, very high stiffness |
| PPCP | BH975MO | 38 | Appliances, Pails, Houseware, White Goods |
| PPCP | BJ368MO | 70 | Thin wall containers |
| PP Random Blow | RB307MO | 1.5 | Household and chemical containers, Bottles for cosmetics |
| PP Random Injection | RE420MO | 13 | Food storage containers, Transparent pails |
| PP Random Injection | RE425MO | 14 | Food storage containers, Transparent pails |
| PP Random Injection | RG568MO | 30 | Transparent food storage container |
| PP Random Injection | RH668MO | 40 | Transparent food storage container |
| PP Random Injection | RJ768MO | 70 | Food packaging, Houseware Articles, Transparent thin wall containers |

| Film & Fibre | Grade | MFR | Application |
|--------------|---------|-----|---|
| PP Raffia | HC116FB | 3.2 | Slit tapes Straws Ropes, Twines, Nets, Woven bags, Monofilament Strapping |

| | | | |
|------------------------|---------|-----|---|
| BOPP | HC402BF | 3.2 | Print lamination, Coated film, Metallisable film |
| PP Thermoforming | HC205TF | 4 | Houseware & thin wall packaging, highly transparent & glossy trays, cups |
| PP Blown Film (Random) | RB707CF | 1.5 | Transparent packaging films, sealing layer in coextrusion, food packaging, label film |
| PP Cast Film (Homo) | HD601CF | 8 | Lamination film, Food packaging & Textile film |
| PP Cast Film (Homo) | HD915CF | 8 | Twist, Labelling & lamination films, hot-fill, food packaging |
| PP Cast Film (Homo) | HD631CF | 10 | Food packaging, Lamination film, Stationery Films, labelling films |
| PP Cast Film (Random) | RD211CF | 6 | Lamination film, Food packaging film |
| PP Cast Film (Random) | RD208CF | 8 | Very soft, high transparency textile, hygienic packaging |
| PP Cast Film (Random) | RD239CF | 8 | Lamination film, Food packaging film |
| PP Cast Film (Random) | RD265CF | 8 | Metallisable Cast film, Food packaging film |
| PP Cast Film (Random) | RD368CF | 8 | Lamination film, Food packaging film |

| Pipe | Grade | MFR | Application |
|-----------|--------|-----|--|
| PP Random | RA150E | 0.3 | Heating, Plumbing, Domestic water, Relining, and Industrial applications |
| PPCP | BA212E | 0.3 | Solid wall and structured wall non-pressure pipes, fittings and chambers |
| PPCP | BA415E | 0.5 | Corrugated and solid wall gravity pipes, profiles, fittings |

“LYONDELLBASELL” Polypropylene Application

| Moulding | Grade | MFR | Application |
|-------------|--------|-----|---|
| Homopolymer | HP400N | 11 | Caps & Closures, Containers; Housewares |
| Homopolymer | HP500N | 12 | Suitable for food contact |
| Homopolymer | HP3442 | 60 | Automotive Parts, Housewares, TWIM Food Containers |
| Homopolymer | HP544T | 60 | Food Container, Drinking Cups |
| Homopolymer | HP744T | 70 | Containers; TWIM Food Containers |
| PPCP | EP332K | 5 | Crates, Sports, Leisure and Toys, Housewares |
| PPCP | EP348N | 11 | Crates, Housewares, Luggage |
| PPCP | EP548Q | 19 | Crates, Furniture, Housewares, Opaque Containers |
| PPCP | EP300R | 30 | Washing machine tub, Electrical appliances, Housewares |
| PPCP | EP548S | 44 | Sports, Leisure and Toys, Housewares, Opaque Containers |
| PPCP | EP546U | 70 | Housewares, Opaque Containers, Sports, Leisure & Toys |
| PPCP | EP2641 | 70 | Thin wall Food Containers, Housewares |

| Film & Fibre | Grade | MFR | Application |
|--------------------|--------|------|--|
| PP - Thermoforming | HP748H | 2 | Thermoform packaging |
| PP Raffia | HP456J | 3.4 | Raffia, Tapes, Strapping, Artificial Grass, Geotextile & Agriculture |
| PP Rafia | HP550J | 3 | Raffia, Tapes, Strapping |
| BOPP | HP525J | 3 | Food Packaging Film, Thermoformed Food Containers |
| PP Lamination | HP462S | 36 | Nonwoven Spunbond, Filament Yarn |
| PP- Lamination | HP3842 | 36 | Filament Yarn, Geotextile & Agriculture, Hygiene Nonwoven |
| PP- Lamination | HP563S | 38 | Diaper and Sanitary Napkin, Apparel Cover, Wet Tissues |
| PP- Lamination | HP461Y | 1300 | Absorption & Filtration, Hygiene Nonwoven, Wipes, Tissues |

| | | | |
|----------------------------|---------------|-----|--|
| PP Cast Film (Homo) | HP3644 | 3 | Food Packaging Film, Thermoformed Food Containers |
| PP Cast Film (Homo) | HP3435 | 8 | Packaging, lamination and metallized film for food |
| PP - Cast Film (Random) | ADSYL6 064 | 5.5 | High transparency and high gloss |
| PP - Cast Film (Random) | ADSYL6 089 | 5.5 | Good shrinking & sealing performance |
| PP - Cast Film (Random) | ADSYL6 093 | 6.5 | High transparency and high gloss |
| PP - Cast Film (Random) | RC221M | 7 | Food Packaging Film, Lamination Film |
| PP - Cast Film (Random) | RC213M | 10 | Quality packaging applications |

INDUSTRIES WE CATER

Plastics have emerged as convenient materials for application across wide range of sectors. They are light, durable easy to mould, and economical while offering desired strength. The polymers industry plays a pivotal role in India's economic landscape, contributing significantly to various sectors such as packaging, construction, automotive, and consumer goods. The industry has been characterized by continuous innovation and technological advancements, driving the development of new and improved polymer materials with enhanced properties and functionalities. We cater the following industries:

Packaging Industry

RIGID PACKAGING



Houseware Products



Paint Containers



Thinwall Container

FLEXIBLE PACKAGING



Shrink Film



Lamination Film

Packaging is broadly categorized into rigid packaging and flexible packaging. Flexible packaging, which is the newer form of packaging, has the largest share among the key end uses. The common types of flexible packaging are stand-up pouches, milk pouches and bags, laminated tubes, and squeezable bottles. We believe that flexible packaging sector is a good market due to the numerous advantages of flexible packaging, such as light weight and small size that results in convenience in handling and disposal, price advantage in transportation, and energy savings, which has traditionally been limited by rigid packaging.

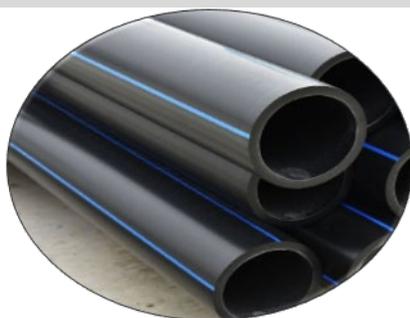
Agriculture Industry



Mulch Film

Agriculture plastic products and packaging are also used extensively in agricultural applications. Plastic films, mulch fields, drip irrigation and sprinklers for irrigation, pond liners to conserve water during monsoons, firm nets or plastics through a frame for greenhouses, maple tubing nursery containers, as well as containers used for pesticides and dairy sanitisers are some of the plastic products used in the agricultural sector. In addition, polyethylene films are widely used to extend and increase yields, expand growing seasons, reduce the usage of pesticides and herbicides, and help conserve water. Plastics which are most widely used in agriculture, water management and related applications.

Infrastructure Industry



Pressure Pipe

We offer polyethylene and polypropylene materials for pipes used in many different industries: water and gas supply, sewage disposal, plumbing and heating, refineries and petrochemicals complexes, and oil and gas, including multi-layer steel pipe coating solutions for onshore and offshore oil and gas pipelines.

We believe that by offering durable and reliable pipe solutions, we continue to boost the sustainability of pipe networks by making them safer, longer lasting and more efficient. This helps eliminate wastage and loss whilst at the same time offering energy savings.

Following is our revenue bifurcation on the basis of industry of our customers for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals.

(₹ in lakhs)

| Industry Segment | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|---------------------------------|---|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % |
| Flexible Packaging [^] | 8,355.28 | 21.63% | 10,609.19 | 21.47% | 11,090.31 | 22.76% | 10,213.70 | 35.99% |
| Rigid Packaging [^] | 11,876.73 | 30.74% | 13,128.61 | 26.57% | 13,377.65 | 27.45% | 7888.95 | 27.80% |
| Agriculture | 3,015.92 | 7.81% | 5,470.76 | 11.07% | 3,451.42 | 7.08% | 2,027.58 | 7.14% |
| Infrastructure | 15,381.97 | 39.82% | 20,203.80 | 40.89% | 20,807.19 | 42.70% | 8,246.13 | 29.06% |
| Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

[^]Under packaging Industry

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Notes:

- Packaging includes grades used for flexible packaging (LLDPE, LDPE, MLLDPE) and rigid packaging (PP homo, Impact Co-polymer and Random Co-polymer) and household includes grades used for household and thin wall containers (PP homo, Impact Co-polymer and Random Co-polymer)
- Agriculture includes grades (LLDPE) used for Drip Pipe and Mulch Film Application
- Infrastructure Segment includes HDPE black compound material used for pressure and non-pressure pipes

OUR STRENGTHS

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

1. Wide product portfolio having applications across various industries verticals

We are engaged primarily in trading of Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries including but not limited to pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP Films, liners, EPE Foam, Woven Sack bags, Spun Bond Non-woven fabric, paint pails, crates, houseware products, suitcases, thin wall containers. We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base. Our comprehensive product range offers a wide variety of grades and caters to various customer segments, by providing products at various price ranges. We believe that our comprehensive range of products enable us to capitalize on growth opportunities and demand in our industry.

Following is our revenue bifurcation on the basis of our product portfolio for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals.

(₹ in lakhs)

| Industry Category | Product Segment | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|------------------------------|-------------------|---|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % | Revenue from Operations | % |
| Packaging | | | | | | | | | |
| Flexible Packaging | BOPP | 714.61 | 1.85% | 2,188.55 | 4.43% | 1,555.64 | 3.19% | 922.47 | 3.25% |
| | CPP Films | 1,251.66 | 3.24% | 3,075.89 | 6.22% | 5,300.62 | 10.88% | 4,847.40 | 17.08% |
| | Foam | 1,807.89 | 4.68% | 1,632.62 | 3.30% | 86.13 | 0.18% | 688.76 | 2.43% |
| | General Purpose | 1,338.00 | 3.46% | 829.22 | 1.68% | 1,097.58 | 2.25% | 1,123.63 | 3.96% |
| | Non-Woven | 1,198.88 | 3.10% | 951.98 | 1.93% | 805.06 | 1.65% | 1,316.64 | 4.64% |
| | PPTQ | 49.18 | 0.13% | 197.11 | 0.40% | - | 0.00% | - | 0.00% |
| | Raffia | 1,995.07 | 5.16% | 1,733.84 | 3.51% | 2,245.27 | 4.61% | 1,314.81 | 4.63% |
| Rigid Packaging | Caps & Closures | 1,046.69 | 2.71% | 828.48 | 1.68% | 819.93 | 1.68% | 123.93 | 0.44% |
| | Houseware | 6,759.49 | 17.50% | 7,465.16 | 15.11% | 5,869.93 | 12.05% | 2,488.26 | 8.77% |
| | Paint Pails | 1,325.59 | 3.43% | 1,218.49 | 2.47% | 1,252.43 | 2.57% | 648.43 | 2.29% |
| | Thermoforming | 469.27 | 1.21% | 839.98 | 1.70% | 2,547.03 | 5.23% | 464.14 | 1.64% |
| | Thin wall | 2,275.68 | 5.89% | 2,776.50 | 5.62% | 2,888.33 | 5.93% | 4,164.20 | 14.67% |
| Agriculture | | | | | | | | | |
| | Agriculture | 3,015.92 | 7.81% | 5,470.76 | 11.07% | 3,451.42 | 7.08% | 2,027.58 | 7.15% |
| Infrastructure (Pipe) | | | | | | | | | |
| | Non-Pressure Pipe | 3,892.60 | 10.08% | 4,884.59 | 9.89% | 4,969.20 | 10.20% | 5,012.75 | 17.67% |
| | Pressure Pipe | 11,489.36 | 29.74% | 15,319.21 | 31.00% | 15,837.99 | 32.50% | 3,233.38 | 11.39% |
| | Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

* As certified by our Auditors, by way of their certificate dated April 12, 2025.

2. Long term relationship with clients

Our company generates its revenue from domestic operations. Our Company through regular communication and has fostered a client base who provide us repeated business for all their needs. Our long-standing relationship with our customers has been one of the most significant factors contributing to our growth. Our commitments to timely delivery and quality have been strong contributing factors to our robust customer relations. Even though we do not have any long-term supply agreements with them, we have continually received repeat business from many of our customers. This indicates their level of confidence in our ability to deliver our products. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business. Further, because of the trust of our customers, we have been able to attain orders from a diverse range of client base. The table set forth below are contribution of our top one, top five and top ten customers towards our revenue from operations:

(₹ in lakhs)

| Particulars | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|-------------|---|---|--------------------------------------|---|--------------------------------------|---|--------------------------------------|---|
| | Revenue from Operations [#] | % | Revenue from Operations [#] | % | Revenue from Operations [#] | % | Revenue from Operations [#] | % |

| | | | | | | | | | |
|---------------|----|----------|--------|-----------|--------|-----------|--------|-----------|--------|
| Top Customer | 1 | 2,222.37 | 5.75% | 1,508.35 | 3.05% | 2,099.34 | 4.31% | 1,808.81 | 6.37% |
| Top Customers | 5 | 6,464.26 | 16.73% | 6,533.00 | 13.22% | 9,143.93 | 18.77% | 6,671.41 | 23.51% |
| Top Customers | 10 | 9,931.25 | 25.71% | 11,107.44 | 22.48% | 15,144.04 | 31.08% | 10,098.71 | 35.59% |

*As certified by our Auditors, by way of their certificate dated April 23, 2025.

The above figures are excluding GST.

3. Well established relationship with suppliers

We focus on building sustained and long-term relationship with our suppliers. We believe that our long-term relationships with suppliers will enable us to continue to grow our business. We are associated with our top suppliers Borouge Pte Ltd from incorporation of the Company. Before incorporation of our Company, our promoter's partnership firm namely M/s Bhavik Enterprises has been appointed authorized distributor of Borouge Pte Ltd. We are also associated with Basell International Trading FZE, more than 8 years. Being authorized distributor of Borouge Products, we are able to procure material on regular basis. This enables us to manage our inventories and supply quality products on timely basis to our customers. This in turn has enabled us to generate repeat business. We have warehouse and depots at various locations wherein inventory is managed and thus customers are served consistently and continuously. A key aspect of our supply chain strength also lies in our ability to manage the complexities of logistics effectively. We leverage our network of warehouses partners, transportation partners, and port facilities to ensure that our products are moved efficiently from port to warehouses and depots as well as end users directly.

Our alignment with suppliers ensures that our products are accessible to a wide customer base. Our approach to understanding market needs allows us to manage our supply chain strategies, optimizing inventory levels. By aligning procurement with customer demand, we strive to maintain a balance between supply and market requirements, further strengthening our operational efficiency. Set forth below are the details of contribution towards our purchase from our top suppliers i.e. Borouge Pte Ltd and Basell International Trading FZE during the nine-month period ended December 31, 2024 and in last three Fiscals and other details;

(₹ in lakhs)

| Particulars | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|----------------------------------|---|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| | Purchases | % | Purchases | % | Purchases | % | Purchases | % |
| Borouge Pte Ltd | 30,244.48 | 79.91% | 36,899.67 | 85.35% | 37,069.08 | 86.71% | 16,693.80 | 67.14% |
| Basell International Trading FZE | 7,455.59 | 19.70% | 6,147.32 | 14.22% | 5,057.69 | 11.83% | 7,403.64 | 29.78% |
| Total | 37,700.07 | 99.61% | 43,046.99 | 99.57% | 42,126.77 | 98.54% | 24,097.44 | 96.91% |

*As certified by our Auditors, by way of their certificate dated April 23, 2025.

4. Leveraging the experience of our Promoters

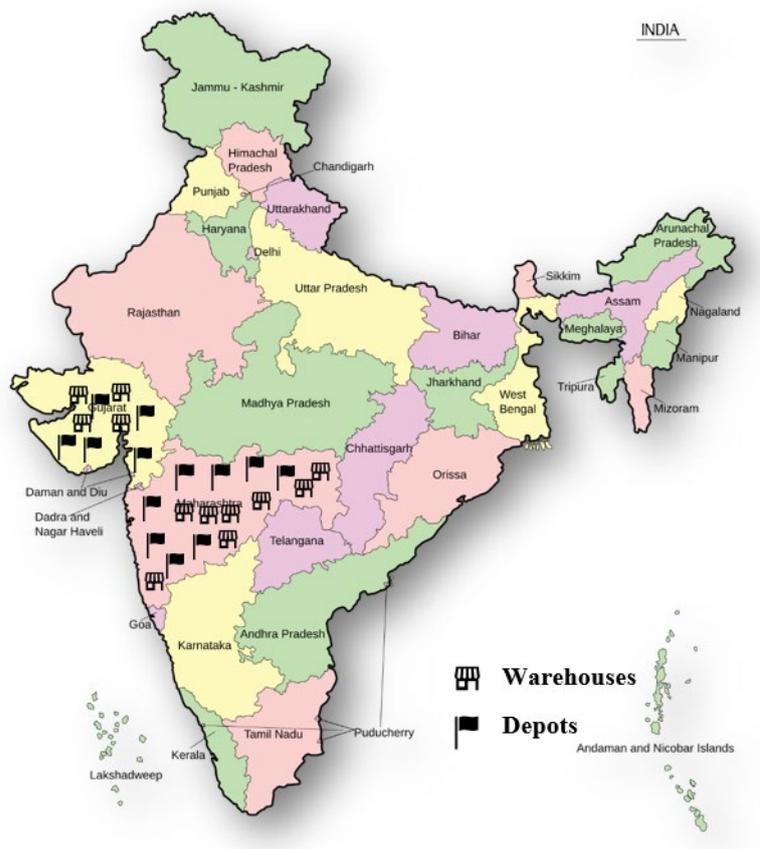
We are led by experienced Promoters, who we believe have knowledge and understanding of the plastic industry and have the expertise and vision to scale up our business. Our Promoters have played a key role in guiding, developing, and growing our business, one of our Promoters Mr. Mukesh Natverlal Thakkar having work experience of more than four decades is in the field of plastic granules trading industry and has been instrumental in our Company's growth and development. For details, relating to the experience of promoters, please see the chapters titled, "Our Promoters and Promoters Group" on page 184 of this Draft Prospectus. The knowledge and experience of our Promoters, and their continued engagement with clients, provides us with a significant competitive advantage as we grow our businesses. Furthermore, the industry expertise of our Promoters allows the long-term strategic direction of our business to be updated with the latest trends.

5. Strategic location of our warehouses and depots

We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacture of finished plastic product. These end use customers include pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP Films, liners, EPE Foam, Woven Sack bags, Spun Bond Non-woven fabric, paint pails, crates, houseware products, suitcases, thin wall containers.

Currently, our Company imports its products at Indian ports, including Hazira Port, NhavaSheva (JNPT) and Mundra Port. Our company operates 12 depots and 12 warehouses, strategically located across the Western Region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. All the warehouses and depots are well-connected with roads, rail, and air which reduce transportation cost, save spillages and facilitate distribution of our products to the high consumption regions. We believe that the strategic location of our warehouses and depots allows us to cater to a larger consumer base, reduce logistic costs and achieve economies of scale.

As on December 31, 2024, we have following warehouses and depots across the Western Region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa:

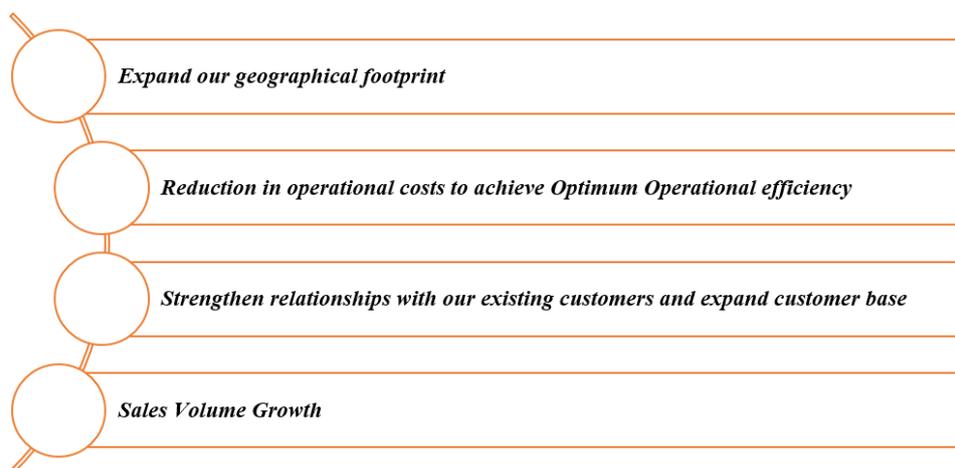


6. Debt Free Structure

Our Company is not burdened by the risks and costs associated with borrowings, which provide greater financial flexibility, allowing us to allocate our resources efficiently and make strategic decisions without the pressure of meeting debt repayments or managing interest expenses. As a result, we can reinvest more of our earnings directly back into the business, enhancing our capabilities, expanding our offerings, and driving further growth. Furthermore, our debt-free position has greatly improved our creditworthiness. We have consistently maintained a strong balance sheet, with a high equity-to-debt ratio, which enhances our reputation. This has made it easier for us to invest in growth opportunities, without being encumbered by liabilities.

OUR STRATEGIES

The following are the key strategies of our Company for its business:



1. Expand our geographical footprint:

The Indian polymers market has witnessed a significant growth trajectory in recent years, driven by robust economic growth, increasing urbanization, and rising disposable incomes. Total polymers consumption surged from 14,218.4 thousand metric tons in FY 2020 to 15,689.6 thousand metric tons in FY2023, reflecting a consistent upward trend. This substantial increase underscores the growing demand for polymers across various sectors within the Indian economy. (Source: D&B Report)

Our strategy for expanding our global presence and driving growth in domestic markets revolves around strengthening our existing operations and entering new regions. We focus on leveraging our understanding of the polymers industry to identify emerging opportunities worldwide. Domestically, we aim to increase our market share by improving product offers and expanding our distribution footprint. This includes optimizing supply chains, and meeting the growing demand for polymers across India.

Following are our revenue breaks up on the basis of geographical distribution for the nine-month period ended December 31, 2024 and for the Fiscal 2024, Fiscal 2023 and Fiscal 2022.

(₹ in lakhs)

| Top 10 State-wise | December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|-------------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | Revenue from Operations | % |
| Gujarat | 17,465.16 | 45.21% | 21,440.00 | 43.39% | 19,374.64 | 39.76% | 12,402.49 | 43.71% |
| Maharashtra | 10,606.41 | 27.46% | 11,202.06 | 22.67% | 11,001.18 | 22.58% | 4,754.19 | 16.75% |
| Rajasthan | 2,425.00 | 6.28% | 4,415.34 | 8.94% | 5,796.36 | 11.90% | 2,429.97 | 8.56% |
| Diu daman | 3,978.74 | 10.30% | 4,882.70 | 9.88% | 5,178.02 | 10.63% | 5,241.59 | 18.47% |
| Uttar Pradesh | 642.34 | 1.66% | 1,679.15 | 3.40% | 3,136.20 | 6.44% | 969.77 | 3.42% |
| Telangana | 778.75 | 2.02% | 2,015.47 | 4.08% | 1,594.81 | 3.27% | 1,061.64 | 3.74% |
| Chhattisgarh | 1,339.41 | 3.47% | 1,408.22 | 2.85% | 786.14 | 1.61% | 390.74 | 1.38% |
| Madhya Pradesh | 637.54 | 1.65% | 740.16 | 1.50% | 476.55 | 0.98% | 289.77 | 1.02% |
| Delhi | 151.45 | 0.39% | 339.63 | 0.69% | 159.05 | 0.33% | 315.08 | 1.11% |
| Haryana | 194.43 | 0.50% | 88.23 | 0.18% | 328.43 | 0.67% | 239.48 | 0.84% |
| Others | 410.66 | 1.06% | 1,201.43 | 2.43% | 895.19 | 1.84% | 281.65 | 0.99% |
| Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Our growth depends on our ability to maintain our relationship with our existing clients in addition to adding new clientele to our list. Expanding our customer base through entry into new geographies is a strategic endeavour aimed at fostering long-term relationships and driving sustained growth. This expansion initiative is underpinned by several key factors such as entering new geographies allowing us to tap into previously untapped markets, thereby broadening our customer base. Establishing a presence in new geographies enables us to reach a wider audience of potential customers. By extending our distribution footprint and sales channels, we can effectively engage with customers in diverse regions, catering to their

unique needs and preferences. Building long-term relationships with customers in new geographies is paramount to our success. By prioritizing customer satisfaction and offering better products and services, we aim to earn the trust and loyalty of customers, laying the foundation for enduring partnerships. Successfully entering new geographies and building long-term relationships with customers contributes to enhancing our brand reputation. A positive brand image reinforces customer trust and loyalty, driving repeat business and attracting new customers through word-of-mouth referrals.

2. Reduction in operational costs to achieve optimum operational efficiency:

Our strategy for enhancing product efficiencies and streamlining costs focuses on optimizing our end-to-end operations across sourcing, processing, trading, and distribution. By leveraging our experience in managing supply chains, we strive to ensure seamless integration and operational efficiency, reducing costs and improving service reliability.

We have our warehouses and depots in the Western Region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa which are linked with roads and highways. This helps to reduce the operational cost. Efficiency is key to maintaining a competitive edge. We intend to implement process improvements across our organization, streamlining internal operations, optimizing inventory management, and enhancing logistics and distribution networks. These improvements will not only strengthen our financial performance but also attract investors seeking companies with robust operational frameworks.

3. Strengthen relationships with our existing customers and expand customer base:

We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. Our dedicated, focused approach, efficient and timely delivery of products have helped us to build strong relationships over a number of years.

4. Sales Volume Growth:

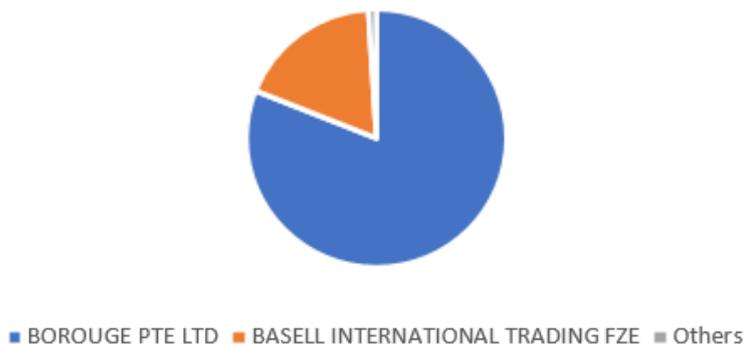
As part of our growth strategy, we intend to focus on increase in volume of sales. As a trading company we want to focus on larger volume of sales and further addition of new products in our portfolio to achieve our targeted sales. We believe that cultivating and sustaining long-term, mutually beneficial relationships with our suppliers, customers, and employees will be instrumental in achieving our organizational objectives, driving sales growth, and penetrating new markets.

IMPORTS AND PROCURMENT PROCESS

India is a net importer of polyethylene with value of annual imports touching INR 374 Bn in FY 2024 against an annual export value of approximately INR 43 Bn in the same year. Strong imports of polyethylene is on account of a combination of insufficient domestic production as well as competitive cost of imported products as against domestic supply. Just like polyethylene, India is also a net importer of polypropylene. Annual value of polypropylene imported to India reached INR 162 Bn in FY 2024, as against an annual export value of INR 35 Bn in the same year. (Source: D&B Report)

We import plastic granules from international markets to maintain supply chain, to ensure quality and variety as per customers requirement and preference and leverage favourable pricing of domestic and international market.. Our Company is engaged in trading of plastic granules of a Singapore based brand- “Borouge” produced by Borouge Pte Ltd and Dubai based brand- “Basell” produced by Basell International Trading FZE.

Import of Products



The table set out below details of the purchase made for the period ended December 31, 2024 and for the FY ending March 31, 2024 and the preceding two fiscals are as follows:

(₹ in lakhs)

| Particulars | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|-------------------------|---|-------------|------------------|-------------|------------------|-------------|------------------|-------------|
| | Purchase | % | Purchase | % | Purchase | % | Purchase | % |
| Domestic (India) | 146.73 | 0.39% | 172.07 | 0.40% | 624.27 | 1.46% | 767.77 | 3.09% |
| Import | 37,700.07 | 99.61% | 43,060.20 | 99.60% | 42,126.77 | 98.54% | 24,097.44 | 96.91% |
| Total | 37,846.80 | 100% | 43,232.27 | 100% | 42,751.04 | 100% | 24,865.22 | 100% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

The table set out below details of our top 1, 5 and 10 suppliers in terms of amount for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals are as under:

(₹ in lakhs)

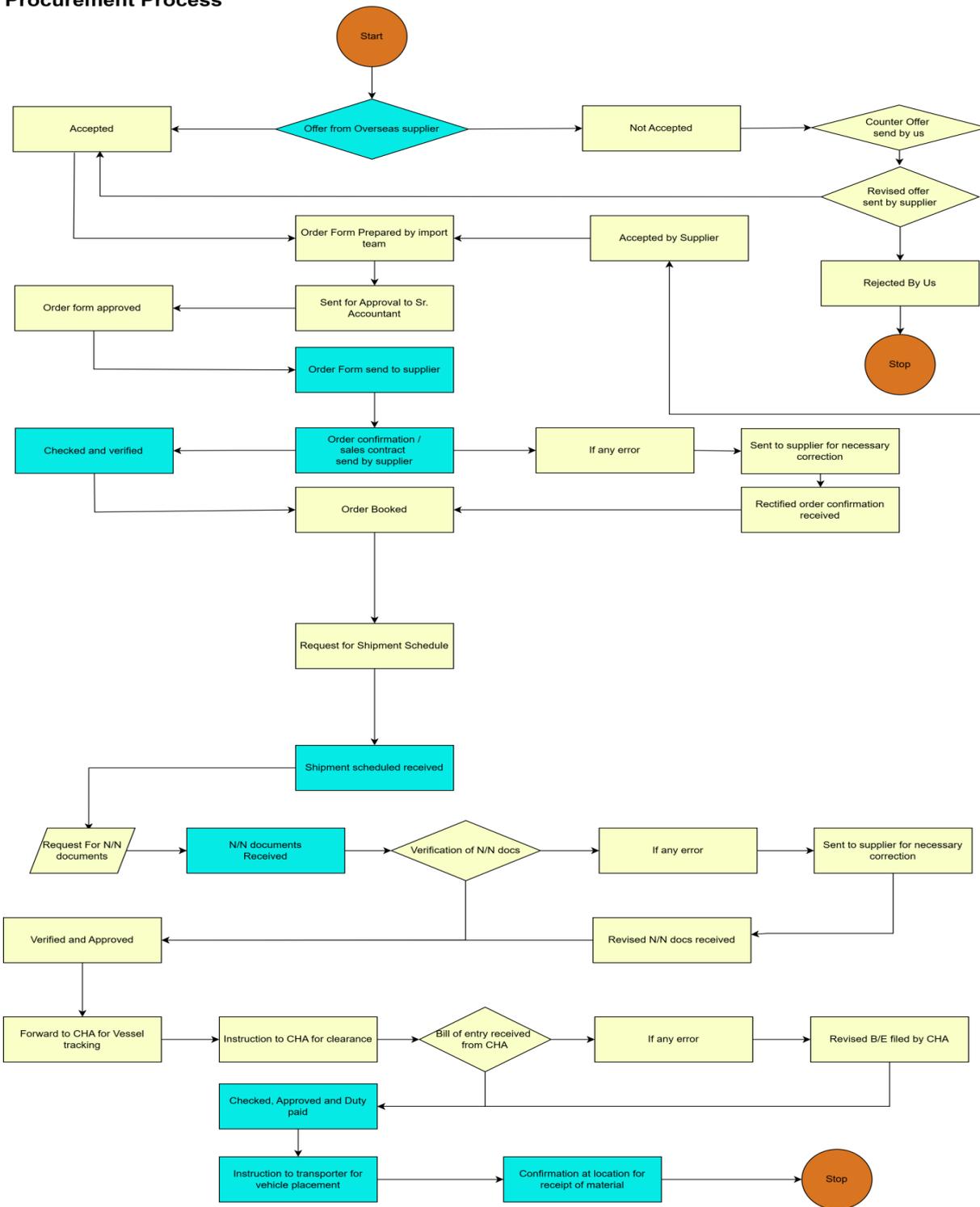
| Particulars | For the period ended December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|------------------|---|--------|-------------|--------|-------------|--------|-------------|--------|
| | Purchases# | % | Purchases# | % | Purchases# | % | Purchases# | % |
| Top Supplier 1 | 30,244.48 | 79.91% | 36,899.67 | 85.35% | 37,069.08 | 86.71% | 16,693.80 | 67.14% |
| Top Suppliers 5 | 37,807.21 | 99.90% | 43,152.87 | 99.82% | 42,557.68 | 99.55% | 24,578.37 | 98.85% |
| Top Suppliers 10 | 37,846.80 | 100% | 43,219.60 | 99.97% | 42,709.08 | 99.90% | 24,801.60 | 99.74% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

The above figures are excluding GST.

Procurement process of products:

Procurement Process



Steps Involved:

Offer from Overseas Supplier

The first step in our business process is getting an offer from Overseas Suppliers. They provide us an offer which includes details such as grade of products, quantity and pricing.

Negotiation on Offer

This stage involves negotiating pricing and quantity. After receiving an offer from overseas supplier, our company either accept their offer and prepare the order forms which are to be sent to the overseas suppliers or gives them a counter offer. If the counter offer made by the company is accepted by the overseas suppliers, the order forms are prepared.

Placing of Order

Order forms which are prepared by our Company, are sent to the senior Accountant for verification and approval. Thereafter, order forms are sent to the supplier to process the order. Upon receipt of order forms, the supplier sends order confirmation in 48 to 72 hrs to us which is again checked and verified and entered in to our system.

Shipment

Once order is booked, we coordinate with supplier for shipment schedule. This usually takes 7 to 15 days for supplier to plan shipments and book our material in particular vessel. In shipment schedule details such as estimated date of shipment (ETD) and estimated date of arrival (ETA) of vessel, port of discharge is mentioned.

Non-Negotiable Document

Once the shipment schedule is fixed and finalised, we request the supplier to provide us copy of non-negotiable document (N/N docs) contain invoice, packing list, Bill of Lading (B/L), Certificate of Analysis and Certificate of Origin. These documents are sent by supplier within 48 to 72 hours after the shipment takes place. If there is any error in N/N documents, communication is sent to supplier to send revised N/N documents. The overseas supplier provides the necessary soft copy of revised non-negotiable document by email.

Customs Clearance

Once N/N documents are received, it is forwarded to CHA (Custom House Agent), also called as Clearing Agent to track the vessel. It generally takes 10 days to 15 days for the shipment to arrive at India Port. Thereafter, we give the instructions to CHA to file bill of entry (B/E) at our desired depot location. B/E has to be filed within 24 hours of vessel arriving. The address of our depots is incorporated in IEC (Import Export Code) copy. Bill of Entry is then duly checked at our end and custom duty is paid for clearance of goods. If there is any error in B/E, revised B/E is filed by CHA which in turn is checked by us and subsequently we pay customs duty. Thereafter we receive out of charge from the customs authority to clear the consignment.

Transportation, delivery of goods and remittance of payment

Thereafter, we give instructions to the transporter to place the vehicle for the delivery of the goods. Once goods are delivered at respective location, we confirm the receipt of the same.

Remittance to Supplier

Payment is remitted to supplier as per the due date mentioned in the invoice. As we are in the business of imports, forex currency fluctuations play a vital role in our purchase price. We therefore hedge our forex risk whenever the market is favourable to avoid exchange risk loss at the time of remittance.

OUR BUSINESS PROCESS

The key to the business process of our Company is timely delivery and logistic. Our products portfolio includes various grades for various applications of plastic products. We operate as an intermediary between overseas supplier and end customers (manufacturer of finished plastic products) by providing different types of polymers on the basis of their requirements.

Our customers send their requisitions to us. Based on the customers' requirement, quotation is prepared covering specifications of product, quantity, price, payment terms and delivery schedule. Customers thereafter confirm those quotations and based on mutual discussions; a final quotation is drawn up covering the commercials. Once the purchase order is received either through mail or verbal confirmation is given by the customers, we approach our identified transport vendors considering the customers' specified locations. Thereafter the products are dispatched to the customers on the schedule dates.



1. Procurement of our Products

We collaborate with our overseas suppliers Borouge Pte Ltd and Basell International Trading FZE to procure the required products. Offer is sent by the respective suppliers to us for confirming the order. For further details of procurement process, please refer section heading “*Procurement process of products*” on page 144.

2. Warehousing and Inventory Management

Once the products are imported at Indian port and are ready from custom department for clearance, we then dispatch the consignment in loaded containers to our strategically located warehouses and depots. This approach ensures efficient management and timely distribution to meet market demand. Currently, our Company imports its products at Indian ports, such as NhavaSheva Port, Hazira Port and Mundra Port. Our company operates 12 depots and 12 warehouses, strategically located across the Western Region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa.



3. Customer Inquiry and Sale Order Confirmation

- **Customer Engagement:** The process begins with receiving inquiries from our customers about plastic granules (PP and PE). These inquiries include specific requirements such as quantity, quality, delivery schedules and payment terms.
- **Quotation Preparation and Negotiation:** Based on the inquiries, we prepare detailed offer, outlining the terms such as product specifications, prices, delivery timelines, and other conditions. The company engages in discussions to finalize the terms, ensuring mutual agreement between all parties.
- **Deal Finalization:** Once terms are agreed upon, a final quotation is drawn up covering the commercials. Thereafter customers send the order schedule, based on which material requirement are assessed.
- **Direct delivery:** If the sales order is confirmed by the customers and the material is available at the port, we directly supply the material from the port at their specified locations. This helps us to save the transportation cost of taking material from the port to our depots and warehouses.

4. Logistics and Transportation

Goods are transported via trucks from the warehouses and depots to the buyer's designated location through identified transport vendors. We ensure that the logistics are handled efficiently, minimizing delays and damages.

5. Delivery and Relationship Management

- **Final Delivery:** We coordinate with logistics partners to ensure timely delivery of goods to the customer.
- **Customer Relationship Management:** Post-delivery, we maintain relationships with our customers by providing consistent support and addressing any concerns promptly. Our company's transparent processes foster long-term trust with buyers.

6. Compliance

We adhere to all regulatory requirements in both domestic and international markets. By focusing on efficient logistics, the company ensures ethical business practices and contributes positively to the polymer trade.

TOP CUSTOMERS AND SUPPLIERS

Top 10 Customers:

Our top 10 customers in terms of amount for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals are as under:

| For the period ended December 31, 2024* | | | |
|---|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Customer 1 | 2,222.37 | 5.75% |
| 2. | Customer 2 | 1,320.32 | 3.42% |
| 3. | Customer 3 | 1,095.69 | 2.84% |
| 4. | Customer 4 | 996.23 | 2.58% |
| 5. | Customer 5 | 829.65 | 2.15% |
| 6. | Customer 6 | 773.21 | 2.00% |
| 7. | Customer 7 | 683.09 | 1.77% |
| 8. | Customer 8 | 680.03 | 1.76% |
| 9. | Customer 9 | 675.79 | 1.75% |
| 10. | Customer 10 | 654.87 | 1.70% |
| | Total | 9,931.25 | 25.71% |

| For the Financial Year ended March 31, 2024* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Customer 1 | 1,508.35 | 3.05% |
| 2. | Customer 2 | 1,499.38 | 3.03% |
| 3. | Customer 3 | 1,234.50 | 2.50% |
| 4. | Customer 4 | 1,166.31 | 2.36% |
| 5. | Customer 5 | 1,124.46 | 2.28% |
| 6. | Customer 6 | 1,076.25 | 2.18% |
| 7. | Customer 7 | 947.51 | 1.92% |
| 8. | Customer 8 | 932.89 | 1.89% |
| 9. | Customer 9 | 820.96 | 1.66% |
| 10. | Customer 10 | 796.82 | 1.61% |
| | Total | 11,107.44 | 22.48% |

| For the Financial Year ended March 31, 2023* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Customer 1 | 2,099.34 | 4.31% |
| 2. | Customer 2 | 1,888.41 | 3.88% |
| 3. | Customer 3 | 1,787.08 | 3.67% |
| 4. | Customer 4 | 1,698.51 | 3.49% |
| 5. | Customer 5 | 1,670.60 | 3.43% |
| 6. | Customer 6 | 1,563.98 | 3.21% |
| 7. | Customer 7 | 1,418.97 | 2.91% |
| 8. | Customer 8 | 1,135.68 | 2.33% |
| 9. | Customer 9 | 945.15 | 1.95% |
| 10. | Customer 10 | 933.33 | 1.92% |
| | Total | 15,144.04 | 31.08% |

| For the Financial Year ended March 31, 2022* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Customer 1 | 1,808.81 | 6.37% |
| 2. | Customer 2 | 1,619.27 | 5.71% |
| 3. | Customer 3 | 1,166.69 | 4.11% |
| 4. | Customer 4 | 1,073.80 | 3.78% |
| 5. | Customer 5 | 1,002.84 | 3.53% |
| 6. | Customer 6 | 854.32 | 3.01% |
| 7. | Customer 7 | 682.66 | 2.41% |
| 8. | Customer 8 | 668.40 | 2.36% |
| 9. | Customer 9 | 653.59 | 2.30% |
| 10. | Customer 10 | 568.34 | 2.00% |
| | Total | 10,098.71 | 35.59% |

Note:

- Name of our customers has not been separately disclosed to preserve confidentiality.
- Please note that the % as shown in the tables above has been derived by dividing the total amount of sales received from the said customer with the total Revenue from operations of our Company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of our Company.

*As certified by our Auditors, by way of their certificate dated April 23, 2025.

The above figures are excluding GST.

Top 10 Suppliers:

Our top 10 suppliers in terms of amount for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals are as under:

| For the period ended December 31, 2024* | | | |
|---|------------|----------------------|------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Supplier 1 | 30,244.48 | 79.91% |
| 2. | Supplier 2 | 7,455.59 | 19.70% |
| 3. | Supplier 3 | 52.10 | 0.14% |
| 4. | Supplier 4 | 28.09 | 0.07% |
| 5. | Supplier 5 | 26.95 | 0.07% |
| 6. | Supplier 6 | 17.21 | 0.05% |
| 7. | Supplier 7 | 16.26 | 0.04% |

| For the period ended December 31, 2024* | | | |
|---|--------------|----------------------|-------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 8. | Supplier 8 | 5.93 | 0.02% |
| 9. | Supplier 9 | 0.20 | 0.00% |
| 10. | Supplier 10 | - | - |
| | Total | 37,846.80 | 100% |

| For the Financial Year ended March 31, 2024* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Supplier 1 | 36,899.67 | 85.35% |
| 2. | Supplier 2 | 6,147.32 | 14.22% |
| 3. | Supplier 3 | 50.70 | 0.12% |
| 4. | Supplier 4 | 28.20 | 0.07% |
| 5. | Supplier 5 | 26.98 | 0.06% |
| 6. | Supplier 6 | 26.87 | 0.06% |
| 7. | Supplier 7 | 13.05 | 0.03% |
| 8. | Supplier 8 | 9.40 | 0.02% |
| 9. | Supplier 9 | 9.40 | 0.02% |
| 10. | Supplier 10 | 8.00 | 0.02% |
| | Total | 43,219.60 | 99.97% |

| For the Financial Year ended March 31, 2023* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Supplier 1 | 37,069.08 | 86.71% |
| 2. | Supplier 2 | 5,057.69 | 11.83% |
| 3. | Supplier 3 | 233.34 | 0.55% |
| 4. | Supplier 4 | 129.12 | 0.30% |
| 5. | Supplier 5 | 68.45 | 0.16% |
| 6. | Supplier 6 | 42.14 | 0.10% |
| 7. | Supplier 7 | 33.17 | 0.08% |
| 8. | Supplier 8 | 26.21 | 0.06% |
| 9. | Supplier 9 | 25.62 | 0.06% |
| 10. | Supplier 10 | 24.28 | 0.06% |
| | Total | 42,709.08 | 99.90% |

| For the Financial Year ended March 31, 2022* | | | |
|--|--------------|----------------------|---------------|
| Sr. No. | Name | Amount (₹ in lakhs)# | % to Total |
| 1. | Supplier 1 | 16,693.80 | 67.14% |
| 2. | Supplier 2 | 7,403.64 | 29.78% |
| 3. | Supplier 3 | 218.11 | 0.88% |
| 4. | Supplier 4 | 165.93 | 0.67% |
| 5. | Supplier 5 | 96.89 | 0.39% |
| 6. | Supplier 6 | 62.00 | 0.25% |
| 7. | Supplier 7 | 59.40 | 0.24% |
| 8. | Supplier 8 | 53.77 | 0.22% |
| 9. | Supplier 9 | 24.59 | 0.10% |
| 10. | Supplier 10 | 23.47 | 0.09% |
| | Total | 24,801.60 | 99.74% |

Note:

- Our top 10 suppliers include Borouge Pte Ltd, Basell International Trading FZE; names of other suppliers have not been disclosed because consents for disclosure of such supplier names were not provided.
- Please note that the % as shown in the tables above has been derived by dividing the total amount of purchased from the said supplier with the Purchases of Raw Material of our Company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of our Company.

**As certified by our Auditors, by way of their certificate dated April 12, 2025.*

The above figures are excluding GST.

PLANT AND MACHINERY

As on the date of this Draft Prospectus, Plant and Machinery is not applicable to our Company since our business is trading and not in the nature of a manufacturing.

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.

RAW MATERIALS

As on the date of this Draft Prospectus, we are not engaged in manufacturing business so we don't procure any raw materials from suppliers.

LOGISTICS

We outsource inward logistics. We also outsource the delivery of our products to either third-party logistics companies or as mutually agreed shipment terms as decided with the customers.

UTILITIES

Our registered office, warehouses and depots are situated in the western region of India i.e. Gujarat Maharashtra and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Our offices are well equipped with computer systems and other facilities which are required for our business operations to function smoothly. These are well equipped with requisite utilities and facilities including the following:

Water

Our office, warehouses and depots have adequate water supply arrangements for human consumption which is procured from local suppliers/authorities.

Power

The requirement of power for our operations, at our office, warehouses and depots are met through regional electricity provider which varies at different depots and warehouses.

INFORMATION TECHNOLOGY

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track government levies, procurement of materials from overseas and sale of products, payments to suppliers and receivables from customers. We have win fam accounting and inventory ERP software for our accounting related work.

HUMAN RESOURCE

We believe that a trained, motivated and satisfied employee base is key to our competitive advantage. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our kind of business.

As on December 31, 2024, we have employed 18 employees. All these personnel are permanent employees of our Company. The breakdown of our Company's permanent employees in different functionalities has been provided below:

| Department/Function | No. of Employees |
|-----------------------------------|-------------------------|
| Legal and Compliance Department | 1 |
| Accounts & Finance Department | 4 |
| Sales & Marketing Department | 3 |
| Purchase & Procurement Department | 3 |
| Administrative Department | 2 |
| Material handing Department | 5 |
| Total | 18 |

Directors are not included

None of our employees are represented by a labour union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good. We give importance to training and development of our employees.

Training to the Employees:

We focus on providing training to our employees, which includes regulatory compliances and commercial trainings on regular basis to keep our employees updated with all the compliances which are required to be fulfilled required for the business operations of our Company.

For details of attrition rate, kindly refer to section titled “*Risk factor*” on page 28 of this Draft Prospectus. In relation to employees related cost during the period ended December 31, 2024, Fiscal 2024, Fiscal 2023 and Fiscal 2022, please refer to chapter titled “*Restated Financial Information*” beginning on page 192 of this Draft Prospectus.

SALES & MARKETING STRATEGY

Our company has implemented a comprehensive marketing strategy designed to enhance visibility, credibility, and market reach in the domestic market. At the heart of this strategy is our strong networking capabilities, which facilitate connections with buyers across various regions. Our sales strategy focuses on market analysis, relationship-building, and strategic partnerships, balancing stability with the flexibility of spot trading.

Traditional marketing method: Under traditional marketing method, our marketing executives will get targeted region and potential leads. Marketing executives takes regular follow up to assigned leads by telephonic calls, personal visit to leads.

Innovative communication techniques: With the advent of digital medium, business has changed from telephonic conversations to emails and WhatsApp. Our company intends to customize and have separate ERP to target existing and new customers by sending informative and relevant messages. This will ensure that customers are not bombarded with spam messages. We believe that, it will help us in differentiating ourselves from others.

To maximize our impact, we utilize a multi-channel marketing approach, including online presence. Our website, www.bhavikenterprises.com, serves as a comprehensive hub for information about our products, company news, and contact details for our support and sales teams. This platform not only informs prospective customers but also streamlines their decision-making process when placing orders.

Trade Fairs & Exhibitions: To keep increasing our reach and network we consistently participate in industry fairs and exhibitions organised throughout the country. It helps us create new business relations as well as help us understanding industry and trade feedback.



EXHIBITION - RAJ PLAST 2023



EXHIBITION -PLASTIVISION 2023



EXHIBITION-PLEXPO 2024

The table set forth below are cost incurred towards sales and marketing expenses for the period ended December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs except for %)

| Particulars | For the nine-month period ended December 31, 2024* | | Fiscal 2024* | | Fiscal 2023* | | Fiscal 2022* | |
|--|--|--------------------|--------------|--------------------|--------------|--------------------|--------------|--------------------|
| | Amount | % of total expense | Amount | % of total expense | Amount | % of total expense | Amount | % of total expense |
| Business Promotion Expenses | 16.09 | 95.00% | 35.58 | 98.00% | 0.87 | 87.00% | 4.47 | 92.00% |
| Advertisement Exp | 0.76 | 5.00% | 0.87 | 2.00% | 0.13 | 13.00% | 0.37 | 8.00% |
| Total Cost incurred towards sales and marketing | 16.85 | 100.00% | 36.46 | 100.00% | 1.00 | 100.00 | 4.84 | 100.00% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

COMPETITION

We face competition from various domestic and other players in the market. Most of our competitors in the regional level are other distributors of polymers. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way. Further we believe that our competition also depends on several factors which include changing business framework, competitive price, established relationship with suppliers and customers, brand recognition, reputation, market focus and the relative quality etc.

EXPORT AND EXPORT OBLIGATIONS

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

COLLABORATION

As on date of this Draft Prospectus, our Company has not entered into any technical or financial collaboration agreements.

INSURANCE

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with industry standards. These insurance policies are generally valid for one year and are renewed annually by us.

The details of amount of assets insured and insured amount as percentage of total assets of the company for the period ended December 31, 2024 are as follows:

| Particulars | Amount of Assets Insured | As a percentage of Total Assets |
|--------------|--------------------------|---------------------------------|
| Vehicles | 47.34 | 100.00% |
| Other Assets | 85.00 | 87.53% |

As certified by our Auditors, by way of their certificate dated April 12, 2025.

The details of insurance policies are as stated below:

| Sr. No. | Name of the Insurance Company | Type of Policy | Policy No. | Validity Period | Sum Insured (₹ in Lakhs) | Premium p.a. (₹ in Lakhs) * |
|---------|---|--|--------------------------|---|--------------------------|-----------------------------|
| 1 | The New India Assurance Co. Ltd | Bharat Sookshma Udyam Suraksha Policy | 1401001124800000782 | February 26, 2025 to February 25, 2026 | 5.00 | 0.004 |
| 2 | The New India Assurance Co. Ltd. | Bharat Sookshma Udyam Suraksha Policy | 1401001124800000175 | June 19 2024 to June 18, 2025 | 85.00 | 0.07 |
| 3 | United India Insurance Company Limited | Bharat Laghu Udyam Suraksha Policy | 0679001124P118730507 | February 22, 2025 to February 21, 2026 | 1,500.00 | 3.24 |
| 4 | United India Insurance Company Limited | Burglary Floater Policy | 0679001224P118731034 | February 22, 2025 to February 21, 2026 | 1,500.00 | 0.53 |
| 5 | United India Insurance Company Limited | Burglary (Floater) Insurance | 14010046240100000186 | March 05, 2025 to March 04, 2026 | 600.00 | 0.39 |
| 6 | The New India Assurance Co. Ltd. | Bharat Laghu Udyam Suraksha Policy | 14010011244300000040 | September 29, 2024 to September 28, 2025 | 600.00 | 0.94 |
| 7. | The New India Assurance Co. Ltd. | Bharat Laghu Udyam Suraksha Policy | 14010011244300000054 | October 28, 2024 to October 27, 2025 | 2,500.00 | 5.31 |
| 8 | United India Insurance Company Limited | Burglary Floater Policy | 0679001224P116862554 | January 24, 2025 to April 23, 2025 | 1,000.00 | 0.17 |
| 9 | Bajaj Allianz General Insurance Company Limited | (Marine Cargo Insurance) Policy | OG-25-1901-1018-00000003 | April 01, 2024 to March 31, 2025 [#] | 56,000.00 | 5.95 |
| 10 | United India Insurance Company Limited | Burglary Standard Policy | 0679001224P114541632 | December 13, 2024 to December 12, 2025 | 250.00 | 0.24 |
| 11 | United India Insurance Company Limited | Bharat Sookshma Udyam Suraksha Policy Schedule | 0679001124P114541106 | December 13, 2024 to December 12, 2025 | 250.00 | 0.43 |
| 12 | United India Insurance Company Limited | Bharat Laghu Udyam Suraksha Policy | 0679001124P116862498 | January 24, 2025 to April 23, 2025 | 1,000.00 | 1.05 |

| | | | | | | |
|----|--|--|----------------------|------------------------------------|--------|------|
| 13 | United India Insurance Company Limited | Bharat Sookshma Udyam Suraksha Policy Schedule | 0679001124P116014454 | January 9, 2025 to January 8, 2026 | 500.00 | 1.34 |
| 14 | United India Insurance Company Limited | Burglary Standard Policy | 0679001224P116014793 | January 9, 2025 to January 8, 2026 | 500.00 | 0.24 |

* The above-mentioned amount includes GST.

We are in process of renewal of the policy.

PROPERTIES

The details of the immovable properties owned by our Company are given here below:

| Sr. No. | Name of the Sellers* | Address of the Property | Date of sale Deed# | Consideration (₹ In Lakhs) | Purpose |
|---------|---|---|--------------------|----------------------------|-----------------------------|
| 1. | Mr. Gaurav Shamlal Khetan and Ms. Snehlata Shamlal Khetan | Office No. 1105, 11 th Floor, DLH Park, Near Telephone Exchange, S.V. Road, Goregaon (W), Mumbai – 400062, Maharashtra, India. | July 26, 2011 | 160.00 | Registered Office |
| 2. | M/s. Star Developers | Gala No. 15, R.K. Industrial Estate, Village Karvad, Taluka Vapi, Dist. Valsad, Gujarat – 396193. | October 30, 2010 | 20.00 | Storage of Plastic Granules |

Note:

1. The Company has executed the agreement for sale with M/s. Oberoi Realty Limited located at Floor No. 45th, Flat No. 4502, A Tower, Elysian Oberoi Garden City, Off Western Express Highway, Goregaon East, Mumbai- 400063, Maharashtra, India for guest house purpose.

2. Our Company is in process of executing sale deed with M/S Griffon Securities Pvt Ltd in relation to purchase of residential property i.e bungalow no. 1 & 2, bungalow no. 3 and bungalow no. 5 which is located at Plot No. 7 of S. No. 10B, Khandala, Taluka Maval, Dist. Pune Maharashtra, India for a lump sum consideration of ₹7,50,00,000/- (Rupees Seven Crores Fifty Lacs) for investment purpose.

*No relation between buyer and sellers.

#All the agreements are adequately stamped and registered.

The details of the depots taken on leave and license basis by our Company are given here below:

| Sr. No | Address | Name of Lessor* | Period of Agreement# | Rent details (₹ in Lakhs) | Purpose |
|--------|--|---------------------------|--|---------------------------|---------|
| 1. | Gala no. 1, Agarwal Udyog Nagar, Building No. 9, Sativali Road, Waliv, Vasai (E), Palghar, Maharashtra, India. (First Premises) | Mr. Bhavik Mukesh Thakkar | From January 01, 2025 to November 30, 2025 | ₹0.2/- per month | Depot |
| 2. | Gala no. 3, Agarwal Udyog Nagar, Building No. 9, Sativali Road, Waliv, Vasai (E), Palghar, Maharashtra, India. (Second Premises) | | | | |
| 3. | Gala no. G 16, Chirag Industrial Estate, 39/40, Golden Industrial Area, Somnath Road, Dabhel, Daman, India. (First Premises) | Mr. Bhavik Mukesh Thakkar | From January 01, 2025 to November 30, 2025 | ₹0.18/- per month | Depot |
| 4. | Gala no. G 17, Chirag Industrial Complex, 39/40, Golden Industrial Area, Somnath | | | | |

| Sr. No | Address | Name of Lessor* | Period of Agreement# | Rent details (₹ in Lakhs) | Purpose |
|--------|--|---|--|---------------------------|------------|
| | Road, Dabhel, Daman, India. (Second Premises) | | | | |
| 5. | Gala no. 4, Agarwal Udyog Nagar, Building No. 9, Sativali Road, Waliv, Vasai (E), Palghar, Maharashtra, India. (First Premises) | M/s. Mukesh N. Thakkar (HUF) | From January 01, 2025 to November 30, 2025 | ₹0.2/- per month | Depot |
| 6. | Gala no. 5, Agarwal Udyog Nagar, Building No. 9, Sativali Road, Waliv, Vasai (E), Palghar, Maharashtra, India. (Second Premises) | | | | |
| 7. | Gala no. G8, Chirag Industrial Complex, 39/40, Golden Industrial Area, Somnath Road, Dabhel, Daman, India. | M/s. Mukesh N. Thakkar (HUF) | From January 01, 2025 to November 30, 2025 | ₹0.18/- per month | Depot |
| 8. | Gala no. 14, Saraf Udyog Bhavan, Near Chincholi Phatak, Malad (W), Mumbai-400064, Maharashtra, India. (First Premises) | Mr. Mukesh Natverlal Thakkar | From January 01, 2025 to November 30, 2025 | ₹0.17/- per month | Office Use |
| 9. | Gala no. 4, Vinayak Industrial Estate, Chinchpada, Vasai (East), Dist. Palghar, Maharashtra, India. | | | | |
| 10. | Gala no. G 18, Chirag Industrial Complex, 39/40, Golden Industrial Area, Somnath Road, Dabhel, Daman- 396210, India. (First Premises) | Mr. Mukesh Natverlal Thakkar | From January 01, 2025 to November 30, 2025 | ₹0.14/- per month | Depot |
| 11. | Gala no. G-1/A, Pramukh Industrial Estate, Survey No. 245/1, Silvassa, D.N.H.-396191, India. (Second Premises) | | | | |
| 12. | Gala no. 13, 14, 15 Rajmilan Rajtilak Co-Op Pre. Soc. Ltd., Village Gokhiware, Chinchpada, Waliv, Vasai (East), Dist. Palghar, Maharashtra, India. | M/s. Griffon Securities Private Limited | From January 01, 2025 to November 30, 2025 | ₹0.60/- per month | Depot |

*Mr. Bhavik Mukesh Thakkar, Mr. Mukesh Natverlal Thakkar and Ms. Purnima Mukesh Thakkar are promoters and directors of the Company. M/s. Mukesh N. Thakkar (HUF) and M/s. Griffon Securities Private Limited are the promoter group of the Company.

#All the agreements are adequately stamped.

The details of the warehouses taken on leave and license basis by our Company are given here below:

| Sr. No | Address | Name of Lessor* | Period of Agreement# | Rent details (₹ in Lakhs) | Purpose |
|--------|--|---------------------------|---|---|-----------|
| 1. | Survey No. 201/1, Shree Mahalaxmi Park-1, Plot No. 18, Village: Zarpara, Tal: Mundra, Kutch - 370421 | M/s. SSS Sai Logistics | From February 06, 2025 till December 31, 2025 | 1. Storage Charges: 0.12 + GST (Per 40 Container Per Month) 2. Loading and unloading charges: 0.05 + GST (Per 40 Container Per Month) 3. Storage Charge on weekly calculation | Warehouse |
| 2. | Survey No. 65/3, Opp. T G Terminal, Veshvi-Belodkar village, Tal: | M/s. Prajneel Warehousing | From February 06, 2025 till | 1. Cargo Storage charges: 1600 per 40' per week | Warehouse |

| Sr. No | Address | Name of Lessor* | Period of Agreement# | Rent details (₹ in Lakhs) | Purpose |
|--------|--|---|---|---|-----------|
| | Uran, Dist. Raigad, Maharashtra - 400702 | Management Pvt Ltd | December 31, 2025 | 2. Loading charges: ₹120/- PMT 3. Unloading Charges ₹120/- PMT | |
| 3. | Plot No. 9 Survey No. 75/2, N.A. Industrial Area, Near Hind Terminals Village-Dhrub Mundra Kutch - 370421. | M/s. SSS Sai Logistics | From February 06, 2025 till December 31, 2025 | 1. Storage Charges 0.12/- per 40 Container Per Month 2. Loading and Unloading Charges 0.05/- per 40 Container 3. Storage charges on weekly calculation. | Warehouse |
| 4. | Pritesh Compound Building No A6, Gala No.02, Dapoda Road, Village Val, Bhiwandi Maharashtra | Shree Ram Warehouse & Transport | From February 06, 2025 till December 31, 2025 | 1. Storage Charges ₹0.25 Per Bag of 25 kg per week 2. Loading Charges ₹180/- (per MT) 3. Unloading Charges ₹150/- (per MT) 4. Crossing Charges ₹150/- (per MT) 5. Warehousing Charges on monthly basis. | Warehouse |
| 5. | Pritesh Compound Building No B2, Gala No. 6 & 7, Mankoli Anjurphata Road, Village Val Bhiwandi - 421302, Maharashtra | | | | |
| 6. | Pritesh Compound Building No. B8, Gala No. 3 & 4, Mankoli Anjurphata Road, Village: Bhiwandi-421302, Maharashtra | | | | |
| 7. | Survey No. 34/1/B/A, Ransai Dam Road, Pahi Village, Near Sarveshwar, CFS Dighode Uran-410206. | M/s. Prajnel Warehousing Management Pvt. Ltd. | From February 06, 2025 till December 31, 2025 | 1. Cargo Storage Charges ₹1,600 per 40 per week 2. Unloading charges: ₹120/- PMT 3. Loading Charges: ₹120/- PMT 4. Transport Charges: 8000 /- Per 40 Container | Warehouse |
| 8. | Survey No. 9/4/A & Others, Opp. TG terminal, Veshvi, Tal. Uran, Dist. Raigad- 410206, Maharashtra | | | | |
| 9. | Wh No. 1, 2, 3, 4 & 5, Survey No.169/24, Paiki 1, Village Dhrub, Tal-Mundra, District: - Kachchh, Gujarat- 370421 | M/s Pragati Logistics Services | From February 06, 2025 till December 31, 2025 | 1. Charges of storages ₹0.50/- Paise per bag (25 KG) per week 2. Loading charges: ₹120/- PMT 3. Unloading Charges ₹120/- PMT | Warehouse |
| 10. | Plot No. 3 Gala No. 1, 2, 3, 4, 5 & 6 Survey No.169/24, Paiki 1, Village Dhrub, Tal-Mundra, District: - Kachchh, Gujarat- 370421 | | | | |
| 11. | Godown at Survey Number 10/7, 41/5, 41/8, Village Kalambusare, Post Chirner, Taluka- Uran, District Raigad - 410206 | M/s. Pragati Logistics Services | From February 06, 2025 to December 31,2025 | 1. Usage basis Rs 0.75/- per bag per week 2. Unloading Charges Rs 120/- PMT 3. Loading Charges Rs 200/- PMT | Warehouse |

| Sr. No | Address | Name of Lessor* | Period of Agreement# | Rent details (₹ in Lakhs) | Purpose |
|--------|--|---------------------------------|---|---|-----------|
| 12. | Godown at Gala number 3, 4, 5, 6, 7 & 8, Building 110, Indian Compound, Gundwali Bhiwandi 421302 | M/s. Pragati Logistics Services | From February 06,2025 to December 31,2025 | 1. Usage basis Rs 0.50/- per bag per week 2. Unloading Charges Rs 120/- PMT 3. Loading Charges Rs 200/- PMT | Warehouse |

*No relation between lessor and lessee.

#All the agreements are adequately stamped.

INTELLECTUAL PROPERTY

The details of intellectual property registered in the name of our Company are as follows:

| Sr. No. | Brand Name/Logo Trademark | Class | Registration/ Application number | Authority | Owner | Date of Application | Current Status |
|---------|---|-------|----------------------------------|--------------------------|----------------------------|---------------------|----------------|
| 1. |  BHAVIK ENTERPRISES LTD. | 1 | 6428365 | The Trade Marks Registry | Bhavik Enterprises Limited | May 11, 2024 | Objected |

DOMAIN DETAILS

| Domain Name | Registrant Name | Registration Date | Registry Expiry Date |
|---|--------------------------------|-------------------|----------------------|
| http://www.bhavikenterprises.com/ | M/s Bhavik Enterprises Limited | December 08, 2008 | December 08, 2025 |

CORPORATE SOCIAL RESPONSIBILITY

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. Our Company made CSR Contribution amounting to ₹20.71 lakhs during Fiscal 2024. For further details, see ***“Risk Factors- There has been delay in filing of forms with the Registrar of Companies as per the stipulated timelines prescribed under the Companies Act, 2013 along with certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Any penalty or action taken by any regulatory authorities in future, for such compliances could impact the reputation and financial position of the Company to that extent on page 28.*”**

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the shareholders and neither designed, nor intended to substitute for professional legal advice. For details of government approvals obtained by us, see the section titled “Government and Other Approvals” on page 252 of this Draft Prospectus.

THE COMPANIES ACT

The Companies Act primarily regulates the formation, financing, functioning and restructuring of Companies as separate legal entities. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

SEBI REGULATIONS

Securities And Exchange Board of India is the regulatory body for securities market transactions including regulation of listing and delisting of securities. It forms various rules and regulations for the regulation of listed entities, transactions of securities, exchange platforms, securities market and intermediaries thereto. Apart from other rules and regulations, listed entities are mainly regulated by the SEBI Act, 1992, Securities Contract Regulation Act, 1956, Securities Contracts (Regulation) Rules, 1957, SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and SEBI (Prohibition of Insider Trading) Regulations, 2015.

TAX RELATED REGULATIONS

Income Tax Act, 1961

Income Tax Act, 1961 is applicable to every Domestic / Foreign Company whose income is taxable under the provisions of this Act or Rules made under it depending upon its “Residential Status” and “Type of Income” involved. U/s 139(1) every Company is required to file its Income tax return for every Previous Year by 31st October of the Assessment Year. Other compliances like those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like are also required to be complied by every Company.

Goods and Service Tax Act, 2017

The Central Goods and Services Tax Act, 2017 is an Act to make a provision for levy and collection of tax on intra-State supply of goods or services or both by the Central Government and for matters connected therewith or incidental thereto. In line with CGST Act, each state Governments has enacted State Goods and Service Tax Act for respective states. Goods and Services Tax (GST) is a comprehensive indirect tax on manufacture, sale and consumption of goods and services throughout India to replace taxes levied by the central and state governments on goods as services. This method allows GST-registered businesses to claim tax credit to the value of GST they paid on purchase of goods or services or both as part of their normal commercial activity. The mechanism provides for two level taxation of interstate and intra state transactions. When the supply of goods or services happens within a state called as intra-state transactions, then both the CGST and SGST will be collected. Whereas if the supply of goods or services happens between the states called as inter-state transactions and IGST will be collected. Exports are considered as zero-rated supply and imports are levied the same taxes as domestic goods and services adhering to the destination-based taxation principle in addition to the Customs Duty which has not been subsumed in the GST.

Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get it registered and obtain an IEC (Importer Exporter Code) in terms of provisions of the Foreign Trade Development and Regulation Act, 1992. Imported goods in India attract basic customs duty, additional customs duty and cesses in terms of the provisions of the Customs Act, 1962, Customs Tariff Act, 1975 and the relevant provisions made thereunder. The rates of basic customs duty are specified under

the Customs Tariff Act 1975. Customs duty is calculated on the assessable value of the goods. Customs duties are administered by Central Board of Indirect Taxes and Customs under the Ministry of Finance.

State Tax on Profession, Trades, Callings and Employment Rules, 1975

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

BUSINESS /TRADE RELATED LAWS / REGULATIONS

International Commercial Terms (“Incoterms”)

Incoterms are standard trade definitions most commonly used in international sales contracts. Devised and published by the International Chamber of Commerce (“ICC”), they are at the heart of world trade. ICC introduced the first version of Incoterms in 1936. Most contracts made after January 01, 2000 will refer to the latest edition of Incoterms, which came into force on that date. The correct reference is "Incoterms 2000". Unless the parties decide otherwise, earlier versions of Incoterms - like Incoterms 1990 - are still binding if incorporated in contracts that are unfulfilled and are dated before January 01, 2000. The latest version of Incoterms is designed to bring Incoterms in line with the latest developments in commercial practice. Correct use of Incoterms goes a long way to providing the legal certainty upon which mutual confidence between business partners must be based. Among the best-known Incoterms are EXW (Ex works), FOB (Free on Board), CIF (Cost, Insurance and Freight), DDU (Delivered Duty Unpaid), and CPT (Carriage Paid To).

Since our Company is into the business of import of goods from its suppliers abroad, the contracts entered into by it with its suppliers are subject to the laws of their land and accordingly, the laws of the respective states are applicable accordingly.

Plastic Waste Management Rules, 2016 (the “Plastic Waste Management Rules”)

Under the Plastic Waste Management Rules, all institutional generators of plastic waste, are required to inter alia, segregate and store the waste generated by them in accordance with the Municipal Solid Waste (Management and Handling) Rules, 2000, as amended, and handover segregated wastes to authorized waste processing or disposal facilities or deposition centres, either on its own or through the authorized waste collection agency.

National Environmental Policy, 2006

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

Environment (Protection) Act, 1986 as amended (“EPA”)

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emitted any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution. Pollution control boards have been constituted in all states in India to exercise the powers and perform the functions provided for under these statutes for the purpose of preventing and controlling pollution. Companies are required to obtain consents of the relevant state pollution control boards for emissions and discharge of effluents into the environment.

Municipal Solid Wastes (Management and Handling) Rules, 2000 (“Waste Management Rules, 2000”) as superseded by Solid Waste Management Rules, 2016 (“Waste Management Rules, 2016”)

The Waste Management Rules, 2000 applied to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Any municipal solid waste generated in a city or a town was required to be managed and handled in accordance with the compliance criteria and the procedure laid down in Schedule II of the Waste Management Rules, 2000. The Waste Management Rules, 2000 made the persons or establishments generating municipal solid wastes responsible for ensuring delivery of wastes in accordance with the collection and segregation system as notified by the municipal authority. The Waste Management Rules, 2000 have been superseded by the Waste Management Rules, 2016 which stipulate various duties of waste generators which, inter alia, include segregation and storage of waste generated by them in the manner prescribed in the Waste Management Rules, 2016; separate storage of construction and demolition waste and payment of user fee for solid waste management as specified in the bye-laws of the local bodies.

Environment Impact Assessment Notification of 2006

The Ministry of Environment, Forests and Climate Change has notified the Environment Impact Assessment Notification of 2006 in September 2006. The notification makes it mandatory for various projects to get environment clearance.

REGULATIONS RELATED TO FOREIGN TRADE AND INVESTMENT

The Foreign Direct Investment

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through Consolidated FDI Policy Circular/Press Notes/Press Releases which are notified by the Department of Economic Affairs (DEA), Ministry of Finance, Government of India as amendments to the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 under the Foreign Exchange Management Act, 1999 (42 of 1999) (FEMA). DPIIT has issued consolidated FDI Policy Circular of 2020 (“FDI Policy 2020”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until an updated circular is issued.

The reporting requirements for any investment in India by a person resident outside India under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 are specified by the RBI. Regulation 4 of the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 vide notification No. FEMA. 395/2019-RB dated 17.10.2019 issued by the RBI stipulates the reporting requirement for any investment in India by a person resident outside India. All the reporting is required to be done through the Single Master Form (SMF) available on the Foreign Investment Reporting and Management System (FIRMS) platform at <https://firms.rbi.org.in>.

Under the current FDI Policy of 2020, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations.

Foreign Exchange Management Act, 1999 (“FEMA”) and Regulations framed thereunder:

Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. As laid down by the FEMA Regulations no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the ‘automatic route’ within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIF and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India and Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 for regulation on exports of goods and services.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of a company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of a company.

Laws related to Overseas Investment by Indian Entities:

Overseas investment by Indian Entities are governed under Foreign Exchange Management Act, 1999 under which the central Government of India have notified Foreign Exchange Management (Overseas Investment) Rules, 2022 in suppression of Foreign Exchange Management (Transfer or Issue of Any Foreign Security) Regulations, 2004 and the Foreign Exchange Management (Acquisition and Transfer of Immovable Property Outside India) Regulations, 2015. Followed by the rules, RBI has vide notification no. RBI/2022-2023/110, A.P. (DIR Series) Circular No.12 dated August 22, 2022 have issued Foreign Exchange Management (Overseas Investment) Directions, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022. These legislations frame the investment fields, mode and cap for various sectors and regions, by any person resident in India and the reporting requirements.

Foreign Trade Policy 2023:

The Central Government of India in exercise of powers conferred under Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992) [FT (D&R) Act], as amended, has notified Foreign Trade Policy (FTP) 2023 which is effective from April 01, 2023 and shall continue to be in operation unless otherwise specified or amended. It provides for a framework relating to export and import of goods and services.

LAWS RELATING TO INTELLECTUAL PROPERTY

Trade Marks Act, 1999

Under the Trademarks Act, 1999 (“Trademarks Act”), a trademark is a mark capable of being represented graphically and which is capable of distinguishing the goods or services of one person from those of others used in relation to goods and services to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A ‘mark’ may consist of a device, brand, heading, label, ticket, name signature, word, letter, numeral, shape of goods, packaging or combination of colors or any combination thereof.

LAWS RELATED TO EMPLOYMENT OF MANPOWER:

Shops and Establishment Acts in various states

Under the provisions of local shops and establishments legislations applicable in the States in which establishments are set up, establishments are required to be registered under the respective legislations. Such legislations regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Different States have different penalties prescribed for contraventions of their respective legislations.

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Industrial Disputes Act, 1947, Contract Labour (Regulation and Abolition) Act, 1970, Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Gratuity Act, 1972, the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Shop and Establishment Act, 1948, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013 and the Maternity Benefit Act, 1961, among others.

To rationalize and reform labour laws in India, the Government has enacted the following codes:

Code on Wages, 2019, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976. It regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes and simplifies the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

Code on Social Security, 2020, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, inter alia including the Employee’s State Insurance Act, 1948, the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the employee’s provident fund and the employee’s

state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees suffer, among others.

Occupational Safety, Health and Working Conditions Code, 2020, which amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various enactments including, among others, the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970.

While certain portions of the Code on Wages, 2019, have now been enforced by the Ministry of Labour and Employment, the remainder of these codes shall become effective on the day that the Government shall notify for this purpose.

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

Payment of Gratuity Act, 1972, as amended (the "Gratuity Act")

The Gratuity Act establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment in which ten or more persons are employed or were employed on any day of the preceding twelve months and in such other establishments in which ten or more employees are employed or were employed on any day of the preceding twelve months, as notified by the Central Government from time to time. Penalties are prescribed for non-compliance with statutory provisions.

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed 1 million.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Minimum Wages Act, 1948 and Maharashtra Minimum Wages Rules, 1963 ("MWA Rules")
- Industrial Disputes Act, 1947 ("ID Act")
- Payment of Bonus Act, 1965 ("POB Act")
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("SHWW Act")
- Employees' Compensation Act, 1923
- Equal Remuneration Act, 1976 ("ER Act")
- Contract Labour Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 ("WCA")
- Industrial Employment Standing Orders Act, 1946
- Apprentice Act, 1961 read with The National Policy of Skill Development and Entrepreneurship 2015,
- Employees' (Provident Fund And Miscellaneous Provisions) Act, 1952
- Employees' State Insurance Act, 1948
- Maternity Benefit Act, 1961
- Payment Of Gratuity Act, 1972

- Weekly Holidays Act, 1942
- Equal Remuneration Act, 1976

OTHER GENERAL REGULATIONS

State Laws

We operate in various states. Accordingly, legislations passed by the state governments are applicable to us in those states. These include legislations relating to, among others, Shops and Establishment Act, classification of fire prevention and safety measures and other local licensing. Further, we require several approvals from local authorities such as municipal bodies. The approvals required may vary depending on the state and the local area.

The Competition Act, 2002

The Competition Act, 2002 is a law in India that aims to: Promote competition in markets, protect consumer interests, ensure freedom of trade, prevent practices that harm competition, and promote economic development.

The act was passed by Parliament in 2002 and took effect on September 1, 2009. It replaced the Monopolies and Restrictive Trade Practices Act, 1969 (MRTP Act). The act prohibits :Anti-competitive agreements; Abuse of dominant position by enterprises; Combinations (mergers, amalgamations, and acquisitions) that could have an adverse effect on competition. The act also established the: Competition Commission of India and Competition Appellate Tribunal.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective states of India have enacted laws empowering the municipalities to issue trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

Approvals from Local Authorities

Setting up of a factory or manufacturing / housing unit entails the requisite planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents are also required from the state pollution control board(s), the relevant state electricity board(s), the state excise authorities, sales tax, among others, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Other regulations:

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, Sale of Goods Act 1930 and Consumer Protection Act 1986, The Arbitration & Conciliation Act, 1996 are also applicable to the company.

PROPERTY RELATED LAWS

The Company is required to comply with central and state laws in respect of property. Central Laws that may be applicable to our Company's operations include the Land Acquisition Act, 1894, the Transfer of Property Act, 1882, Registration Act, 1908, Indian Stamp Act, 1899, Stamp Act of Relevant State and Indian Easements Act, 1882.

HISTORY AND CERTAIN CORPORATE MATTERS

BRIEF HISTORY OF OUR COMPANY

Our Company was originally incorporated under the name “*Bhavik Enterprises Limited*” under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated September 15, 2008, issued by the Registrar of Companies, Maharashtra, Mumbai. The Corporate Identification Number of our Company is U51900MH2008PLC186771.

Our business in polymers industry has been established four decades ago. Our promoter, Mr. Mukesh Natverlal Thakkar has started his career with the trading business of plastic raw material in the year of 1977 through his proprietorship firm “M/s. Emmen Plastics”. Further a partnership firm “M/s Bhavik Enterprises” has been established in the year of 1984 by one of our promoters, Mrs. Purnima Mukesh Thakkar which was dealing in all kind of plastic powder and allied lines. In the year of 1992, Mr. Mukesh Natverlal Thakkar has joined the said partnership firm through M/s. Mukesh Natverlal Thakkar HUF. Our Company was incorporated on September 15, 2008, as a public Limited Company in the name of “*Bhavik Enterprises Limited*” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai. Subsequently our Company has acquired the entire running business of “M/s. Emmen Plastics” and “M/s Bhavik Enterprises” on a going concern basis, along with all its assets and liabilities, through a Business Transfer Agreement dated January 22, 2009.

Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar, Ms. Purnima Mukesh Thakkar, Ms. Neha Bhavik Thakkar, Mr. Umesh Thakkar, Ms. Dhvani Mihir Tanna and Ms. Thakkar Vidhi were the initial subscribers to the Memorandum of Association of our Company. Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar, Ms. Purnima Mukesh Thakkar are the current promoters of the company. For further details of our promoter please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 184.

For information on our Company’s profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 130, 96, 169, 192 and 232 respectively.

Our Company has 7 (Seven) shareholders as on the date of filing of this Draft Prospectus.

CHANGES IN THE REGISTERED OFFICE OF OUR COMPANY

Except as disclosed below, there has been no change in the address of the registered office of our Company since the date of incorporation:

| From | To | With effect from | Reason for Change |
|---|--|------------------|------------------------|
| 49, Jaykar Smruti, Off Aarey Road, Goregaon (West), Mumbai- 400062, Maharashtra, India. | Office No. 1105, 11 th Floor, DLH Park, S V Road, Goregaon West, Malad, Mumbai- 400064, Maharashtra, India. | August 29, 2024 | Administrative Purpose |

MAJOR EVENTS IN THE HISTORY OF OUR COMPANY

| Year | Key Events/Milestones/Achievements |
|------|---|
| 2008 | Incorporation of our Company as limited company under the name “ <i>Bhavik Enterprises Limited</i> ” |
| 2009 | Acquisition of the entire running business of “M/s. Emmen Plastics” and “M/s Bhavik Enterprises” on a going concern basis, along with all its assets and liabilities, through a Business Transfer Agreement |
| 2024 | Crossed Revenue of ₹500 Crores |
| 2024 | Received ISO 9001:2015, committed to ensuring traceability in our supply chain, which has become increasingly important in the global trade of polymers |

MAIN OBJECTS OF OUR COMPANY

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

1. To carry on business in India and / or abroad of manufacturers, processors, makers, inventors, converters, or otherwise of products arising out of use of plastic raw material, polymers, Polythene, Polyethylene, LDPE, LLDPE, MDPE, HDPE, HMHDPE, Polypropylene, Styronex, ABS, SAN, GPPS, HIPS, EPS, PVC resin, polyvinyl rubber, plastic, nylon, engineering plastics, homopolymers, random copolymers, block / impact copolymers, synthetic materials,

plastic granules, reprocessed, colored granules, chemicals, and/or equivalent raw material used in the processing of plastic or its equivalent products, derivatives thereof or item made of above materials by any process and as well as domestic products made / manufactured from various raw materials mentioned above and their similar thermos setting and thermoplastic polymers by various processes of injection moulding, blow moulding, thermo forming, insulating, extruding, calendaring, laminating or producing by any other methods like vacuum forming, coating, blowing, spreading, mixing and things made in combination with all or any of the aforesaid and /or otherwise including inter alia of metal, glass or any other natural and / or man-made substance and whether can be used and / or applied in the form in which the same is manufactured and / or processed and/ or manually and / or electrically and / or by any other power or any process which are at present known or invented from time to time.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST TEN YEARS

The following changes have been made in the Memorandum of Association of our Company since Incorporation:

| Date of Meeting | Type | Nature of Amendment |
|------------------------|-------------|--|
| October 25, 2024 | EOGM | Alteration in Capital Clause: The authorized share capital of our Company was increased from ₹7,50,00,000/- divided into 75,00,000 Equity Shares of ₹10/- each to ₹1,15,00,00,000/- divided into 11,50,00,000 Equity Shares of ₹10/- each. |
| January 30, 2025 | EOGM | Adoption of New/ Revised Set of Memorandum of Association of the Company for Compliance with the Companies Act, 2013 To adopt a new set of Memorandum of Association in accordance with the provisions of Companies Act, 2013 in place of existing Memorandum of Association of the Company. |

OUR HOLDING COMPANY

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

OUR SUBSIDIARY COMPANY

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

OUR ASSOCIATE COMPANY

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

ACQUISITION OF BUSINESSES/UNDERTAKINGS, MERGER, AMALGAMATION OR REVALUATION OF ASSETS IN LAST 10 YEARS

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.

SIGNIFICANT FINANCIAL OR STRATEGIC PARTNERSHIPS

We do not have any financial or strategic partnerships as on the date of this Draft Prospectus.

SHAREHOLDERS AGREEMENT

Our Company has not entered into any Shareholders Agreement as on the date of this Draft Prospectus.

LOCK OUTS AND STRIKES

There have been no lock outs or strikes at any of the location of our Company as on the date of this Draft Prospectus.

TIME/COST OVERRUN IN SETTING UP PROJECTS

There has been no time and cost overruns in the Company as on date of this Draft Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the locations, please see chapter titled “*Our Business*” beginning on page 130 of this Draft Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors except as mentioned in Material development in chapter titled “*Management’s discussion and analysis of financial conditions & results of operations*” beginning on page 232 of this Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company has not made any defaults / re-scheduling of its borrowings as on date of this Draft Prospectus.

JOINT VENTURES

As on the date of this Draft Prospectus, there are no joint ventures of our Company.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE

Neither our Promoters, nor any of the Key Managerial Personnel, Senior Management, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Except as disclosed in the chapter titled “*Our Business*” and “*Restated Financial Statements*” on page 130 and 192 respectively, there are no other inter-se agreements, arrangements and clauses or covenants which our Company is a party relation to securities of our Company, which are material, adverse or pre-judicial to the interest of the minority/shareholders or which may have a bearing on the investment decision.

GUARANTEES GIVEN BY OUR PROMOTERS

As on the date of this Draft Prospectus, our promoters and their relatives have not extended personally guarantee. For further details, please see chapter titled “*Restated Financial Statements*” beginning on page 192 respectively.

MATERIAL AGREEMENTS

Except as disclosed above and in the chapter titled “*Our Business*” on page 130 of this Draft Prospectus, we have not entered into any material agreement / contract as on the date of this Draft Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

In terms of the Companies Act, 2013 and our 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 on the date of this Draft Prospectus, our Board comprises of 6 (Six) Directors, 1 (One) as Chairman cum Wholetime Director, 1 (One) as Managing Director and 1 (One) as Executive Director, being woman director and 3 (Three) Independent Directors, out of which One (1) is a Woman Director. The structure of the Board is compliant with applicable corporate governance norms on the date of listing.

The details of the Directors are as mentioned in the below table:

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment / Re appointment | Other Directorships |
|---|--|--|
| <p>Name: Mr. Mukesh Natverlal Thakkar</p> <p>Father's Name: Late Natverlal Thakkar</p> <p>Age: 69 years</p> <p>Date of Birth: July 22, 1955</p> <p>Designation: Chairman cum Whole-time Director</p> <p>Address: A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Borivali West, Mumbai, Maharashtra- 400092, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 3 (Three) years with effect from on January 30, 2025, liable to retire by rotation.</p> <p>DIN: 01867515</p> | <p>Originally appointed as a Director on September 15, 2008.</p> <p>Redesignated as Chairman cum Whole-time Director of our Company on January 30, 2025.</p> | <ul style="list-style-type: none"> • Griffon Securities Private Limited |
| <p>Name: Mr. Bhavik Mukesh Thakkar</p> <p>Father's Name: Mr. Mukesh Natverlal Thakkar</p> <p>Age: 45 years</p> <p>Date of Birth: June 11, 1979</p> <p>Designation: Managing Director</p> <p>Address: A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Near Factory Lane, Borivali West, Mumbai, Maharashtra- 400092, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 3 (Three) years with effect from on January 30, 2025, liable to retire by rotation.</p> <p>DIN: 01867522</p> | <p>Originally appointed as a Director on September 15, 2008.</p> <p>Redesignated as Managing Director of our Company on January 30, 2025.</p> | <ul style="list-style-type: none"> • Griffon Securities Private Limited |

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment / Re appointment | Other Directorships |
|--|--|---|
| <p>Name: Ms. Purnima Mukesh Thakkar</p> <p>Father's Name: Late Madhusudan C. Thakkar</p> <p>Age: 68 years</p> <p>Date of Birth: December 26, 1956</p> <p>Designation: Executive Director</p> <p>Address: A-703, Marble Arch Co., Op. Housing Society, 51, T.P.S. Road, Near Factory Lane, Borivali West, Mumbai, Maharashtra- 400092, India.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 3 (Three) years with effect from on January 30, 2025, liable to retire by rotation.</p> <p>DIN: 02262042</p> | <p>Originally appointed as a Director on September 15, 2008.</p> <p>Redesignated as Executive Director of our Company on January 30, 2025.</p> | <p>NIL</p> |
| <p>Name: Ms. Jeny Vinod Kumar Gowadia</p> <p>Father's Name: Mr. Vinod Dhanraj Gowadia</p> <p>Age: 34 years</p> <p>Date of Birth: September 28, 1990</p> <p>Designation: Non-Executive Independent Director</p> <p>Address: 1105 Ostwal Tower, 11th Floor, T P S-3, Shimpoli Road, Borivali West, Samta Bhawan, Vazira Naka, Mumbai Suburban, Mumbai- 400091, Maharashtra, India.</p> <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Term: Appointed as Non-Executive Independent Director with effect from June 18, 2021 for a period of 5 years.</p> <p>DIN: 03014009</p> | <p>Appointed as Non-Executive Independent Director of our Company on June 18, 2021</p> | <p>NIL</p> |
| <p>Name: Mr. Manishkumar Anjanikumar Dhanuka</p> <p>Father's Name: Mr. Anjanikumar Dhanuka</p> <p>Age: 44 years</p> <p>Date of Birth: July 16, 1980</p> <p>Designation: Non-Executive Independent Director</p> <p>Residential Address: A 2404, Oberoi Esquire, Off Western Express Highway, VTC: Mumbai, Goregaon East, Mumbai Suburban-400063, Maharashtra, India.</p> <p>Occupation: Professional</p> | <p>Appointed as Non-Executive Independent Director of our Company on October 29, 2024</p> | <ul style="list-style-type: none"> • EMA Partners Executive Search Private Limited |

| Name, Father's Name, Age, DOB, Designation, Address, Occupation, Nationality, Term and DIN | Date of Appointment / Re appointment | Other Directorships |
|---|---|---------------------|
| Nationality: Indian Term: Appointed as Non-Executive Independent Director with effect from October 29, 2024. DIN: 03272845 | | |
| Name: Mr. Jayesh Jaysinh Kapadia Father's Name: Mr. Jaysinh Bhagwandas Kapadia Age: 54 years Date of Birth: April 27, 1970 Designation: Non-Executive Independent Director Residential Address: A/4, Parichit Bunglow, Dwarkesh Park, Sai Baba Nagar Road, Sai Baba Nagar, Borivali West, Mumbai-400092, Maharashtra, India. Occupation: Professional Nationality: Indian Term: Appointed as Non-Executive Independent Director with effect from October 25, 2024. DIN: 10836880 | Appointed as Non-Executive Independent Director of our Company on October 25, 2024. | NIL |

BRIEF PROFILE OF OUR DIRECTORS

Mr. Mukesh Natverlal Thakkar, aged 69 years, is one of the Promoters and Chairman cum Whole time Director of our Company. He has completed his Bachelor of Commerce (B.Com.) degree from University of Bombay in the year 1975. He has been associated with our Company since incorporation and has experience of more than four decades in the field of plastic granules industry. In his previous stint, he was in the business of trading of plastic granules through his proprietorship concern, M/s Emmen Plastic since 1977. He has been instrumental in taking major policy decision of our Company and playing vital role in formulating business strategies and effective implementation of the same. He is responsible for the expansion and overall management along with administration of the business of our Company. He manages the company's accounts, finance, human resources functions, statutory compliances etc. He has a practical approach to achieving the necessary goals. His extensive experience helps staff members to achieve goals in a dynamic and challenging corporate environment.

Mr. Bhavik Mukesh Thakkar, aged 45 years is one of the Promoters and Managing Director of our Company. He has completed his Bachelor of Commerce (B.Com.) degree from University of Mumbai in the year 2000. He has also completed his Master of Management Studies Degree from University of Mumbai in the year 2002. He has been associated with our Company since incorporation i.e., 2008 and has more than 15 years of experience in the plastic polymers Industry. He is responsible for the sales and marketing, purchase, forex and co-ordinating with treasury, supply chain and logistic. He has been conferred with the Entrepreneurs Awards 2023-24.

Ms. Purnima Mukesh Thakkar, aged 68 years is one of the Promoters and Executive Director of our Company. She has completed Bachelor of Arts from Sardar Patel University in the year 1977. She has been associated with our company since incorporation is having more than four-decade experience in the plastic polymers Industry. In her previous stint, she was in the business of trading of plastic granules through her partnership firm "M/s Bhavik Enterprises since 1984. She is responsible for looking overall administration of our Company.

Ms. Jeny Vinod Kumar Gowadia, aged 34 years is the Non-Executive Independent Director of our Company w.e.f. June 18, 2021. She is a Company Secretary by professional and is an Associate member of the Institute of Company Secretaries of India. She holds Degree in Bachelor of Commerce (B.com) from University of Mumbai in the year 2011 and also holds

degree in Master of Commerce (M.com) from University of Mumbai in the year 2014. She is a Practicing Company Secretary since 2017. She possesses more than 7 years of experience in the field of legal and secretarial compliance.

Mr. Manishkumar Anjanikumar Dhanuka, aged 44 years is the Non-Executive Independent Director of our Company w.e.f. October 29, 2024. He has completed his Bachelor of Commerce (B. Com) from University of Mumbai, in the year 2001. He is a Chartered Accountant by professional since May 2002. He has completed his CFA examination in the year 2012 from CFA institute. He has a work experience of over 17 years as Chartered Accountant in the field of accounts, finance and operational management. In his previous instinct, he has been associated with M/s Edelweiss Securities Limited, Nuvama Wealth Management Limited, M/s ECL Finance Limited, M/s Reliance Securities Limited, M/s Edelweiss Commodities Services Limited. Currently, he is working with M/s. EMA Partners India Private Limited Since June 2024 as Group CFO.

Mr. Jayesh Jaysinh Kapadia, aged 54 years, is the Non-Executive Independent Director of our Company w.e.f. October 25, 2024. He is Chartered Accountant by qualification and holds Degree in Bachelor of Commerce (B.com) from University of Bombay in the year 1991. He is a practicing Chartered Accountant since April 1999. He is a partner in J. J. Kapadia & Associates since April 2000 till 2024 and associated with M/s. J Kapadia & Associates, Chartered Accountants since June 2023. He possesses more than 24 years of experience in the field of accounting, finance and auditing.

CONFIRMATIONS

As on the date of this Draft Prospectus:

- Except as disclosed below, none of the Directors are related to each other or to our Key Managerial Personnel and senior management as per Section 2(77) of the Companies Act, 2013.

Mr. Mukesh Natverlal Thakkar and Mr. Bhavik Mukesh Thakkar are father and son;
Ms. Purnima Mukesh Thakkar and Mr. Bhavik Mukesh Thakkar and mother and son; and
Mr. Mukesh Natverlal Thakkar and Ms. Purnima Mukesh Thakkar are husband and wife.

- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors were selected as a director or member of senior management.
- The directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- None of the Directors are categorized as a wilful defaulter or fraudulent borrower, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations.
- None of our Directors are or were directors of any listed Company whose shares have been/were suspended from trading by any of the stock exchange(s) during his/her tenure in that Company in the last five years or delisted from the stock exchange(s) during the term of their directorship in such companies.
- None of our Directors have been declared as fugitive economic offenders as defined in Regulation 2(1)(p) of the SEBI ICDR Regulations, nor have been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- None of the Promoters or Directors has been or is involved as a Promoter or Director of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce him to become or to help him qualify as a director, or otherwise for services rendered by him or by the firm, trust or company in which he is interested, in connection with the promotion or formation of our Company.
- There are none of the Directors on the Board appointed as the Nominee Directors, KMPs or any other persons appointed on behalf any of the shareholders or any other person.
- There are no business correspondents is related to Promoters, Directors or KMPs.
- No Group Companies are listed as on the date of filing of Draft Prospectus.

DETAILS OF BORROWING POWERS

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on March 05, 2025 and pursuant to provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, the Board of Directors of the Company be and are hereby authorized to borrow monies from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company may exceed in the aggregate, its paid up capital and free reserves and security premium (apart from temporary loans obtained / to be obtained from bankers in the ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed in the aggregate of ₹200 Crores.

REMUNERATION OF OUR DIRECTORS

The compensation package payable to the Managing Director, Whole Time Director and/or Executive Director w.e.f. April 01, 2025 as resolved in the Extra Ordinary General Meeting held on January 30, 2025 is stated hereunder:

Mr. Mukesh Natverlal Thakkar

The total remuneration payable to Mr. Mukesh Natverlal Thakkar, Chairman cum Whole-time Director, shall be a sum of up to ₹5,00,000 Lakhs per month (inclusive of salary, perquisites, benefits, incentives, and allowances).

Mr. Bhavik Mukesh Thakkar

The total remuneration payable to Mr. Bhavik Mukesh Thakkar, Managing Director, shall be a sum of up to ₹5,00,000 Lakhs per month (inclusive of salary, perquisites, benefits, incentives, and allowances).

Ms. Purnima Mukesh Thakkar

The total remuneration payable to Ms. Purnima Mukesh Thakkar, Executive Director, shall be a sum of up to ₹4,00,000 Lakhs per month (inclusive of salary, perquisites, benefits, incentives, and allowances).

The compensation payable to our directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, for the time being in force). The remuneration paid to the directors during the last F.Y. 2023- 24 is as follows:

| Sr. No. | Name | Designation | Remuneration paid (₹ in Lakhs) |
|---------|------------------------------|----------------------------------|--------------------------------|
| 1. | Mr. Mukesh Natverlal Thakkar | Chairman cum Whole Time Director | ₹42.00/- p.a. |
| 2. | Mr. Bhavik Mukesh Thakkar | Managing Director | ₹39.00/- p.a. |
| 3. | Ms. Purnima Mukesh Thakkar | Executive Director | ₹19.20/- p.a. |

SITTING FEES

Pursuant to the Resolution passed by our Company on March 06, 2025 the Independent Directors of our Company would be entitled to a sitting fee of up to ₹10,000/- for attending every meeting of the Board of Directors.

REMUNERATION PAID OR PAYABLE TO OUR DIRECTORS BY OUR SUBSIDIARIES OR ASSOCIATES

As on the date of this Draft Prospectus, we do not have any subsidiaries or associates.

PAYMENT OF BENEFITS (NON-SALARY RELATED)

Except as disclosed above, no amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered and/or sitting fees as Directors.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO DIRECTORS

There is no contingent or deferred compensation payable to our directors, which does not form part of their remuneration.

BONUS OR PROFIT-SHARING PLAN FOR THE DIRECTORS

None of the Directors are party to any bonus or profit-sharing plan of our Company.

SHAREHOLDING OF OUR DIRECTORS

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

The details of the shareholding of our directors as on the date of this Draft Prospectus are as follows:

| Name | Designation | No. of Equity Shares held | % of pre offer paid up capital | % of post offer paid up capital |
|------------------------------|----------------------------------|---------------------------|--------------------------------|---------------------------------|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole time Director | 42,24,000 | 26.64% | 19.27% |
| Mr. Bhavik Mukesh Thakkar | Managing Director | 24,76,500 | 15.62% | 10.69% |
| Ms. Purnima Mukesh Thakkar | Executive Director | 90,84,000 | 57.28% | 42.66% |

INTEREST OF OUR DIRECTORS

All our Independent Directors may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent and reimbursement of expenses payable to them and also to other Non-Executive Director under the Articles of Association. Further our directors may be deemed to be interested to the extent shareholding held by them, their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoter and in any dividend distribution which may be made by our Company in the future.

Our directors deemed to be interested to the extent of remuneration payable to them pursuant to Articles of the Company and resolution approved by the Board of Directors/ Members of our Company, as the case may be, time to time for services rendered as an officer or employee of our Company.

No loans have been availed by our directors or the Key Managerial Personnel from our Company.

No sum has been paid or agreed to be paid to our directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce them to become, or to qualify them as, a director, or otherwise for services rendered by them by such firm or company, in connection with the promotion or formation of our Company.

For the shareholding of our directors, please refer chapter titled “*Our Management*” on page 169 of this Draft Prospectus.

Interest in the property of our Company

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*”, beginning on 130 of this Draft Prospectus, none of our directors have interest in any property acquired or proposed to be acquired by our Company.

Interest in Business of our Company

Except as stated in the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 130/130 and 192 respectively and to the extent of shareholding in our Company, if any, our directors do not have any other business interest in our Company.

Interest in promotion of our Company

Except for Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar who are the Promoters of our Company, none of the other Directors are interested in the promotion of our Company.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

| Sr. No. | Name of the Director | Date of Appointment / Cessation/ Change in designation | Reason for Change |
|---------|-------------------------------------|--|---|
| 1. | Mr. Mukesh Natverlal Thakkar | January 30, 2025 | Designated as Chairman cum Whole Time Director |
| 2. | Mr. Bhavik Mukesh Thakkar | January 30, 2025 | Designated as Managing Director |
| 3. | Ms. Purnima Mukesh Thakkar | January 30, 2025 | Designated as Executive Director |
| 4. | Mr. Manishkumar Anjanikumar Dhanuka | October 29, 2024 | Appointed as Non-Executive Independent Director |
| 5. | Mr. Jayesh Jaysinh Kapadia | October 25, 2024 | Appointed as Non-Executive Independent Director |

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act with respect to corporate governance, provisions of SEBI LODR Regulations to the extent applicable to the entity whose shares are listed on Stock Exchange and shall be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including SEBI LODR Regulations, SEBI ICDR Regulations and the Companies Act in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI LODR Regulations. The Board functions either as a full board or through various committees constituted to oversee specific functions.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealing with our stakeholders, emphasis on communication and transparent report.

Our Board functions either as a full Board or through the various committees constituted to oversee specific operational areas. As of the date of this Draft Prospectus, our Company has 6 (Six) Directors on the Board, 1 (One) as Managing Director, 1 (One) as Chairman cum Whole Time Director, 1 (One) as Executive Director and 3 (Three) as Non-Executive Independent Directors. There is 1 (One) Woman Executive Director on our Board and there is 1 (One) Woman Non-Executive Independent Director on our Board.

COMMITTEES OF THE BOARD OF DIRECTORS

Our Board of Directors presently has four (4) committees which have been constituted in accordance with the relevant provisions of the Companies Act and SEBI LODR Regulations: (i) Audit Committee, (ii) Stakeholders' Relationship Committee, (iii) Nomination and Remuneration Committee and (iv) Corporate Social Responsibility (CSR) committee.

Audit Committee

Our Board has constituted the Audit Committee vide Board Resolution dated March 06, 2025 which was in accordance with Section 177 of the Companies Act, 2013.

The audit committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|-------------------------------------|------------------------------------|--------------------------|
| Mr. Manishkumar Anjanikumar Dhanuka | Non-Executive Independent Director | Chairman |
| Mr. Jayesh Jaysinh Kapadia | Non-Executive Independent Director | Member |
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole time Director | Member |

The Company Secretary & Compliance Officer of our Company will act as the Secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

3. Approving payments to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - ii) Changes, if any, in accounting policies and practices and reasons for the same;
 - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv) Significant adjustments made in the financial statements arising out of audit findings;
 - v) Compliance with listing and other legal requirements relating to financial statements;
 - vi) Disclosure of any related party transactions;
 - vii) Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an offer (public offer, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
9. 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;
10. Discussion with internal auditors any significant findings and follow up there on;
11. 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;
12. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
13. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
14. To review the functioning of the Whistle Blower mechanism;
15. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
16. Approval or any subsequent modification of transactions of the Company with related parties;
17. Scrutiny of inter-corporate loans and investments;
18. Valuation of undertakings or assets of the Company, wherever it is necessary;
19. Evaluation of internal financial controls and risk management systems;

20. Review of management discussion and analysis report, management letters issued by the statutory auditors, etc;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

Explanation (i): The term “related party transactions” shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- 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.
- d) To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- i) Management discussion and analysis of financial condition and results of operations;
 - ii) Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv) Internal audit reports relating to internal control weaknesses; and
 - v) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
 - vi) statement of deviations: (a) half yearly statement of deviation(s) submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations. (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.
22. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

Meeting of Audit Committee and Relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for audit committee meeting shall either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

Stakeholders’ Relationship Committee

Our Board has constituted the Stakeholders’ Relationship Committee vide Board Resolution dated March 06, 2025 pursuant to Section 178 of the Companies Act, 2013.

The Stakeholders’ Relationship Committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|------------------------------|------------------------------------|---------------------------------|
| Ms. Jeny Vinod Kumar Gowadia | Non-Executive Independent Director | Chairman |
| Mr. Jayesh Jaysinh Kapadia | Non-Executive Independent Director | Member |
| Mr. Bhavik Mukesh Thakkar | Managing Director | Member |

The Company Secretary of the Company will act as the Secretary of the Committee.

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

1. resolving the grievances of the security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by the Company in respect of various services rendered by the registrar and share transfer agent;
4. review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
5. Formulate procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
6. approve, register, refuse to register transfer or transmission of shares and other securities;
7. sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;
8. allotment and listing of shares;
9. authorise affixation of common seal of the Company;
10. issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
11. approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
12. dematerialize or rematerialize the issued shares;
13. ensure proper and timely attendance and redressal of investor queries and grievances;
14. carry out any other functions contained in the Companies Act, 2013 (including Section 178) and/or equity listing agreements (if applicable), as and when amended from time to time; and
15. further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

Meeting of Stakeholders' Relationship Committee and Relevant Quorum

The stakeholders' Relationship committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

Nomination and Remuneration Committee

Our Board has constituted the Nomination and Remuneration Committee vide Board Resolution dated March 06, 2025 pursuant to section 178 of the Companies Act, 2013.

The Nomination and Remuneration Committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|-------------------------------------|------------------------------------|---------------------------------|
| Mr. Jayesh Jaysinh Kapadia | Non-Executive Independent Director | Chairman |
| Mr. Manishkumar Anjanikumar Dhanuka | Non-Executive Independent Director | Member |
| Ms. Jeny Vinod Kumar Gowadia | Non-Executive Independent Director | Member |

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - i) use the services of an external agencies, if required;
 - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of Independent Directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommend to the board, all remuneration, in whatever form, payable to senior management.

Meeting of Nomination and Remuneration Committee and Relevant Quorum

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

Corporate social responsibility (CSR) committee

Our Board has constituted the Corporate Social Responsibility Committee vide Board Resolution dated March 06, 2025 pursuant to section 178 of the Companies Act, 2013.

The Corporate social responsibility committee comprises of:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|------------------------------|------------------------------------|---------------------------------|
| Ms. Jeny Vinod Kumar Gowadia | Non-Executive Independent Director | Chairman |
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole Time Director | Member |
| Mr. Bhavik Mukesh Thakkar | Managing Director | Member |

The Company Secretary of our Company acts as the Secretary to the Committee.

The scope of Corporate Social Responsibility Committee shall include but shall not be restricted to the following:

1. formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 as amended;
2. formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely:
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;

- the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes; and
 - details of need and impact assessment, if any, for the projects undertaken by the company;
3. recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
 4. monitor the Corporate Social Responsibility Policy of the Company and its implementation from time to time; and
 5. to disclose the contents of such a policy in its report and to place it on the company's website;
 6. review and recommend to the Board the Business Responsibility Report and the Annual Report on CSR activities which is required to be included in the Boards' Report of the Company;
 7. discharge such duties and functions as indicated in the section 135 of the Companies Act, 2013 and Rules made thereunder from time to time and such other functions as may be delegated to the Committee by the Board from time to time;
 8. take all necessary actions as may be necessary or desirable and also to settle any question or difficulty or doubts that may arise with regards to Corporate Social Responsibility activities/Policy of the Company.

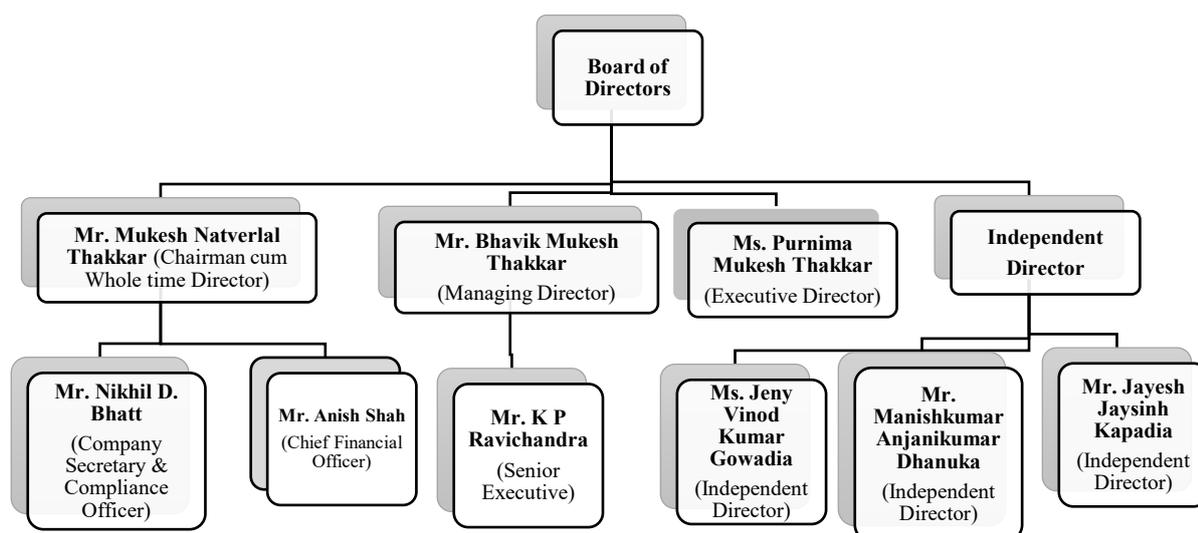
Meeting of Corporate Social Responsibility Committee and Relevant Quorum

The quorum necessary for a meeting of the Corporate Social Responsibility Committee shall be two members or one third of the members of the committee whichever is greater. The Committee shall meet at least once in a year.

POLICY ON DISCLOSURES AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING

The provisions of Regulation 9(1) of the SEBI PIT Regulations will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons. The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Our Company is managed by our Board of Directors, assisted experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel and senior management of our Company:

Key Managerial Personnel of our Company:

Mr. Mukesh Natverlal Thakkar, is the Chairman cum Whole Time Director of our Company, **Mr. Bhavik Mukesh Thakkar**, is the Managing Director and **Ms. Purnima Mukesh Thakkar**, is the Executive Director of our Company. For detailed profile, see para, “*Brief Profile of our Directors*” on page 171 of this Draft Prospectus.

Mr. Anish Shah, aged 52 years, is the Chief Financial Officer of our Company with effect from February 15, 2025. He has completed his Bachelor of Commerce (B.com) from University of Mumbai in the year 1993 and is a Chartered Accountant by qualification since November 1996. He has also completed his diploma in system management from National Institute of Information Technology in the year 1994. He has an experience of over 25 years in strategic financial planning. In his previous instinct, he has worked with M/s. MEP Infrastructure Developers Ltd., Finkraaft Advisors, Citibank Singapore, Citibank Mumbai, Standard Chartered Bank, e-Serve international Ltd., Innoval Fintech Private Limited, M/s. Agarwal Vijay & Associates etc. He is responsible for accounts and finance division of our company.

Mr. Nikhil D Bhatt, aged 59 years, is the Company Secretary and Compliance Officer of our Company. Originally, he was appointed on April 01, 2024, re-appointed w.e.f. April 01, 2025. He has completed his Bachelor of Commerce (B.com) from University of Bombay in the year 1986, Bachelor of Law from University of Bombay in the year 1992, Master of Law from University of Mumbai in the year 1995. He is an Associate member of the Institute of Company Secretaries of India since 2008. He also has completed his Diploma in Central Excise from TVC Institute of Management in the year 1998, Introduction to Intellectual Property from WIPO Worldwide Academy in the year 2001, post graduate diploma in Patent Law and Practice in the year 2002. He has registered as Patent agent in the year 2002. He has an experience of over 3 years as Company Secretary. He is responsible for the Secretarial and Compliance division of our Company. In his previous stint, he was associated with Ajanta Pharma Limited. He was paid ₹3.60 Lakhs as salary in the Fiscal Year 2024-25. For further details of his experience details please refer section titled “*Risk Factors*” beginning on page 28 of this Draft Prospectus.

Senior Management Personnel of our Company:

Mr. K P Ravichandra aged 52 years, is the Senior Executive of our Company. He has completed Bachelor of Commerce (B.com) from University of Calicut in the year 1995. He also has completed Advanced Diploma in Business Administration from Welinkar Institute of Management Development & Research in the year 2012. He has been associated with our company since December 2015. He has around more than 9 years of experience in our company. He looks after finance, MIS reporting and budgeting. He was paid ₹6.48 Lakhs as salary in the Fiscal Year 2024-25. For further details of his experience details please refer section titled “*Risk Factors*” beginning on page 28 of this Draft Prospectus.

STATUS OF OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

All our Key Managerial Personnel and senior management are permanent employees of our Company.

RELATIONSHIP BETWEEN OUR DIRECTORS AND KEY MANAGERIAL PERSONNEL OR/AND SENIOR MANAGEMENT

None of our directors are related to each other or to our Key Managerial Personnel and senior management. Except as mentioned below:

- Mr. Mukesh Natverlal Thakkar and Mr. Bhavik Mukesh Thakkar are father and son;
- Ms. Purnima Mukesh Thakkar and Mr. Bhavik Mukesh Thakkar and mother and son; and
- Mr. Mukesh Natverlal Thakkar and Ms. Purnima Mukesh Thakkar are husband and wife.

SHAREHOLDING OF THE KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management holds any shares of our Company as on the date of this Draft Prospectus except as stated in the below table:

| Name | Designation | No. of Equity Shares held | % of pre offer paid up capital | % of post offer paid up capital |
|------------------------------|----------------------------------|----------------------------------|---------------------------------------|--|
| Mr. Mukesh Natverlal Thakkar | Chairman cum Whole Time Director | 42,24,000 | 26.64% | 19.27% |
| Mr. Bhavik Mukesh Thakkar | Managing Director | 24,76,500 | 15.62% | 10.69% |

For further details please see chapter titled “*Capital Structure*” on page 67 of this Draft Prospectus.

SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

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

INTEREST OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

None of our Key Management Personnel and senior management has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel and senior management may also be deemed to be interest to the extent of any dividend payable to them and other distributions in respect of Equity Shares.

ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel and senior management have been selected as the Key Managerial Personnel and senior management of our Company.

BONUS OR PROFIT-SHARING PLAN OF KEY MANAGEMENT PERSONNEL AND SENIOR MANAGEMENT

None of our Key Managerial Personnel and Senior Management are party to any bonus or profit-sharing plan of our Company.

LOANS GIVEN/AVAILABLE BY DIRECTORS / KEY MANAGERIAL PERSONNEL / SENIOR MANAGEMENT OF OUR COMPANY

For details of unsecured loan taken from or given to our Directors/KMPs/ Senior Management and for details of transaction entered by them in the past please refer to “*Restated Financial Statements - Note 34– Related Party Disclosures*” on page 192 of this Draft Prospectus.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

There is no contingent or deferred compensation payable to our Directors, Key Managerial Personnel and senior management, which does not form part of their remuneration.

EMPLOYEE SHARE PURCHASE AND EMPLOYEE STOCK OPTION PLAN

Our Company does not have an employee stock option scheme as on the date of this Draft Prospectus.

PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

No non-salary related amount or benefit has been paid or given key managerial personnel and senior management of our Company within the two years preceding the date of filing of this Draft Prospectus or is intended to be paid or given, other than in the ordinary course of their employment.

CHANGES IN OUR KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT IN THE LAST THREE YEARS FROM THE DATE OF FILING OF THIS DRAFT PROSPECTUS

The changes in our Key Managerial Personnel and Senior Management during the three years immediately preceding the date of filing of this Draft Prospectus are set forth below:

| Name | Date of Appointment/ Change in designation | Reason for Change |
|------------------------------|---|---|
| Mr. Nikhil D Bhatt | April 01, 2025 | Appointment of Company Secretary and Compliance Officer |
| Mr. Nikhil D Bhatt | March 04, 2025 | Cessation of Company Secretary and Compliance Officer |
| Mr. Mukesh Natverlal Thakkar | January 30, 2025 | Designated as Chairman cum Whole time Director |
| Mr. Bhavik Mukesh Thakkar | January 30, 2025 | Appointed as Managing Director |
| Mr. Anish Shah | February 15, 2025 | Appointed as Chief Financial Officer |
| Mr. K P Ravichandra | February 15, 2025 | Designated as Senior Management Personnel |
| Mr. Nikhil D Bhatt | April 01, 2024 | Appointed as Company Secretary and Compliance Officer |
| Ms. Shruti Shah | March 31, 2024 | Cessation of Company Secretary |

ATTRITION OF KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

The attrition of Key Managerial Personnel and senior management is not high in our Company compared to the industry. For further detailed, kindly refer section titled “*Risk factors*” on page 28 of this Draft prospectus.

OTHER CONFIRMATIONS

Business Correspondents Related to Promoters, Directors, Key Managerial Personnel and Senior Management Personnel

Our Company does not have any business correspondents and none of our business correspondents is related to our Promoters, our Directors, our Key Managerial Personnel or our Senior Management Personnel.

Similar Business with which Directors are Associated

Except as disclosed under “*our group company*” and “*our business*” beginning on page 189 and 130 respectively, none of our directors are associated or have any interest in the similar line of business as that of our company. there are none of the directors on the board appointed as the nominee directors, KMPs or any other persons appointed on behalf any of the shareholders or any other person.

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar are the Promoters of our Company.

As on the date of this Draft Prospectus, our Promoters' shareholding in our Company is as follows:

| Name of the Promoters | No. of Equity Shares | % of Pre-offer issued, subscribed and paid-up Equity Share Capital |
|------------------------------|----------------------|--|
| Mr. Mukesh Natverlal Thakkar | 42,24,000 | 26.64% |
| Mr. Bhavik Mukesh Thakkar | 24,76,500 | 15.62% |
| Ms. Purnima Mukesh Thakkar | 90,84,000 | 57.28% |
| Total | 1,57,84,500 | 99.54% |

For details of the build-up of our Promoters' shareholding in our Company, please see "*Capital Structure*" beginning on page 67.

The details of our Promoters are as under:

| Mr. Mukesh Natverlal Thakkar | |
|---|---|
|  | <p>Mr. Mukesh Natverlal Thakkar, aged 69 years is one of the Promoters, Chairman cum Wholetime Director of our Company.</p> <p>Date of Birth: July 22, 1955</p> <p>Nationality: Indian</p> <p>PAN: AAAPT6736C</p> <p>Residential Address: A-703, Marble Arch Co., Op. Housing Society, 51, T. P. S. Road, Borivali West, Mumbai- 400092, Maharashtra, India.</p> <p>For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held and interest in other entities, special achievements and business and financial activities, see "<i>Our Management</i>" on page 169. Other than the entities forming part of the Group Company and Promoter Group, Mr. Mukesh Natverlal Thakkar is not involved in other ventures.</p> |
| Mr. Bhavik Mukesh Thakkar | |
|  | <p>Mr. Bhavik Mukesh Thakkar, aged 45 years is one of the Promoters and Managing Director of our Company.</p> <p>Dates of Birth: June 11, 1979</p> <p>Nationality: Indian</p> <p>PAN: AAXPT3875F</p> <p>Residential Address: A-703, Marble Arch Co., Op. Housing Society, 51, T. P. S. Road, Near Factory Lane, Borivali West, Mumbai- 400092, Maharashtra, India.</p> <p>For his complete profile along with the details of his educational qualifications, professional experience, position/posts held in the past, directorships held and interest in other entities, special achievements and business and financial activities, see "<i>Our Management</i>" on page 169. Other</p> |

| | |
|---|---|
| | than the entities forming part of the Group Company and Promoter Group, Mr. Bhavik Mukesh Thakkar is not involved in other ventures. |
| Ms. Purnima Mukesh Thakkar | |
|  | <p>Ms. Purnima Mukesh Thakkar, aged 68 years, is one of the Promoters and Executive Director of our Company.</p> <p>Date of Birth: December 26, 1956</p> <p>Nationality: Indian</p> <p>PAN: ACAPT7921R</p> <p>Residential Address: A-703, Marble Arch Co., Op. Housing Society, 51, T. P. S. Road, Near Factory Lane, Borivali West, Mumbai- 400092, Maharashtra, India.</p> <p>For her complete profile along with the details of her educational qualifications, professional experience, position/posts held in the past, directorships held and interest in other entities, special achievements and business and financial activities, see “<i>Our Management</i>” on page 169. Other than the entities forming part of the Group Company and Promoter Group, Ms. Purnima Mukesh Thakkar is not involved in other ventures.</p> |

Other ventures of our Promoters

Other than as disclosed in “*Companies / Corporate Entities Forming Part of the Promoter Group*” below and in section “*Our Management –Other Directorships*” on page 169 , our Promoters are not involved in any other ventures.

DECLARATION

We confirm that the Permanent Account Number, Bank Account number(s), Passport number, Aadhaar card number and Driving License Number of our Promoters will be submitted to the Stock Exchange at the time of filing of the Draft Prospectus with the Stock Exchange. One of our Promoters, Ms. Purnima Mukesh Thakkar has confirmed that she neither has nor applied for Driving License as on the date of this Draft Prospectus.

CHANGE IN MANAGEMENT AND 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 Draft Prospectus.

EXPERIENCE OF OUR PROMOTERS IN THE BUSINESS OF OUR COMPANY

For details in relation to experience of our Promoters in the business of our Company, please refer above and the chapter “*Our Management*” beginning on page 169 of this Draft Prospectus.

INTEREST OF OUR PROMOTERS

Our Promoters do not have any interest in our Company except to the extent of compensation payable / paid, commission, perquisites and compensation paid and fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of expenses payable to them as the directors of our Company, rents on properties owned by them or their relatives but used by our Company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on pages 67, 192 and 169 of this Draft Prospectus.

Except as stated otherwise in this Draft Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters are 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 see chapter titled “*Restated Financial Statements*” beginning on page 192 of this Draft Prospectus.

Interest of Promoters in the Promotion of our Company

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company. Our Promoters may also be deemed to be interested to the extent of Equity Shares held by them and their immediate relatives in our Company and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares in our Company. For details regarding the shareholding of our Promoters in our Company, see the chapter titled ‘*Capital Structure*’ on page 67 of this Draft Prospectus.

Interest of Promoters in the Property of our Company

Except as stated in the heading titled “*Properties*” under the chapter titled “*Our Business*” and “*Restated Financial Statements*” beginning on page 130 and 192 respectively, our Promoters have confirmed that they do not have any interest in any property acquired by our Company within three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company as on the date of this Draft Prospectus.

Further, other than as mentioned in the chapter titled “*Our Business*” beginning on page 130 of this Draft Prospectus. Our Promoters does not have any interest in any land or property acquired by our Company in the three years preceding the date of this Draft Prospectus or proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

Interest of Promoters in our Company arising out of being a member of a firm or company

Our Promoters are not interested as member of a firm or company, and no sum has been paid or agreed to be paid to 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 Promoters

Our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of remuneration, commission and reimbursement of expenses payable to them as per the terms of their appointment, the Articles of Association of our Company and relevant provisions of Companies Act. For further information on our Promoters’ compensation and other details please refer to the chapter titled “*Our Management*” on page 169 of this Draft Prospectus

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 130, 166, 169 and 192 respectively, our Promoters do not have any other interest in our Company.

COMMON PURSUITS OF OUR PROMOTERS

Except as disclosed above, our Promoters are not involved with any ventures which are in the same line of activity or business as that of our Company.

BUSINESS INTERESTS

Our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of filing of this Draft Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments have been made to it in respect of the contracts, agreements or arrangements which are proposed to be made with it.

PAYMENTS OR BENEFITS TO THE PROMOTERS OR PROMOTER GROUP DURING THE LAST TWO YEARS

Except as stated in the chapter titled “*Restated Financial Statements*” beginning on page 192 of this Draft Prospectus, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft

Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

MATERIAL GUARANTEE

Our Promoters have not given any material guarantee to any third party with respect to the Equity Shares as on the date of this Draft Prospectus.

OUR PROMOTER GROUP

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

A. Natural Persons who are Part of the Promoter Group

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

| Name of the Promoters | Name of the Relative | Relationship with the Promoter |
|-------------------------------------|---|---------------------------------------|
| Mr. Mukesh Natverlal Thakkar | - | Father |
| | - | Mother |
| | Ms. Purnima Mukesh Thakkar | Spouse |
| | Mr. Pradeep Natverlal Thakkar, Mr. Umesh Thakkar | Brother(s) |
| | Ms. Ushaben Dushyant Thakkar, Ms. Kokilaben Arvindkumar Thakkar, Ms. Jyotiben B. Thakkar, Ms. Daksha Kiritbhai Thakkar | Sister(s) |
| | Mr. Bhavik Mukesh Thakkar | Son |
| | Ms. Dhvani Mihir Tanna | Daughter |
| | - | Spouse Father |
| | - | Spouse Mother |
| | Ms. Nayna B. Thakkar, Ms. Varsha Janak Thakkar, Ms. Pragna Pankaj Thakkar, Ms. Parul Munjal Thakkar | Spouse's Sister(s) |
| | Mr. Bhavik Mukesh Thakkar | Mr. Mukesh Natverlal Thakkar |
| Ms. Purnima Mukesh Thakkar | | Mother |
| Ms. Neha Bhavik Thakkar | | Spouse |
| N.A. | | Brother |
| Ms. Dhvani Mihir Tanna | | Sister |
| N.A. | | Son |
| Ms. Kylaisha Bhavik Thakkar | | Daughter |
| Mr. Mahendra Keshvlal Thakkar | | Spouse's Father |
| Ms. Kalpana Mahendra Thakkar | | Spouse's Mother |
| Mr. Jimit Mahendra Thakkar | | Spouse's Brother |
| N.A. | | Spouse's Sister |
| Ms. Purnima Mukesh Thakkar | - | Father |
| | - | Mother |
| | Mr. Mukesh Natverlal Thakkar | Spouse |
| | - | Brother |
| | Ms. Nayna B. Thakkar, Ms. Varsha Janak Thakkar, Ms. Pragna Pankaj Thakkar, Ms. Parul Munjal Thakkar | Sister(s) |
| | Mr. Bhavik Mukesh Thakkar | Son |
| | Ms. Dhvani Mihir Tanna | Daughter |
| | - | Spouse Father |
| | - | Spouse Mother |

| Name of the Promoters | Name of the Relative | Relationship with the Promoter |
|-----------------------|---|--------------------------------|
| | Mr. Pradeep Natverlal Thakkar, Mr. Umesh Thakkar | Spouse's Brother(s) |
| | Ms. Ushaben Dushyant Thakkar, Ms. Kokilaben Arvindkumar Thakkar, Ms. Jyotiben B. Thakkar, Ms. Daksha Kiritbhai Thakkar | Spouse's Sister(s) |

B. Companies / Corporate Entities Forming Part of the Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/ Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group:

| Sr. No. | Name of Promoter Group Entity/Company |
|---------|---|
| 1. | M/s. Royal Crown World (Partnership Firm of Ms. Daksha Kiritbhai Thakkar) |
| 2. | M/s. Tansha Realtors LLP (LLP of Ms. Dhvani Mihir Tanna) |
| 3. | M/s. Tansha Jewels LLP (LLP of Ms. Dhvani Mihir Tanna) |
| 4. | M/s. Shree Bhomiya Gems (Partnership Firm of Mr. Jimit Mahendra Thakkar, Mr. Mahendra Keshvlal Thakkar) |
| 5. | M/s. Karma Jewells (Partnership Firm of Ms. Kalpana Mahendra Thakkar) |
| 6. | M/s. Mahendra K. Thakkar (HUF) |
| 7. | M/s. Thakkar Pradeep Natverlal (HUF of Mr. Pradeep Natverlal Thakkar) |
| 8. | M/s. Umesh N. Thakkar HUF |
| 9. | M/s. Cue Enterprises (Partnership Firm of Mr. Umesh Thakkar) |
| 10. | M/s. Mukesh K Thakkar HUF |
| 11. | Griffon Securities Private Limited |

SHAREHOLDING OF THE PROMOTER GROUP IN OUR COMPANY

For details of shareholding of members of our Promoter Group as on the date of this Draft Prospectus, please see the chapter titled “*Capital Structure*” beginning on page 67 of this Draft Prospectus.

COMPANIES WITH WHICH THE PROMOTERS HAVE DISASSOCIATED IN THE LAST THREE YEARS

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

OUTSTANDING LITIGATIONS

There is no other outstanding litigation against our Promoters except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigations and Material Developments*” beginning on pages 28 and 244 respectively of this Draft Prospectus.

OUR GROUP COMPANY

The definition of ‘Group Companies’ as per the SEBI ICDR Regulations, shall include such companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which Financial Statements is disclosed, as covered under the applicable accounting standards, and also other companies as considered material by the board.

In terms of the SEBI ICDR Regulations and in terms of the policy of materiality defined by the Board pursuant to its resolution dated March 06, 2025 our Group Companies includes:

- (i) Those companies disclosed as related parties in accordance with Accounting Standard (“AS 18”) issued by the Institute of Chartered Accountants of India, during the period for which Financial Information is disclosed.
- (ii) All such companies which are deemed to be material by the Board of Directors.

Accordingly, based on the parameters outlined above, as on the date of this Draft Prospectus, our Board has identified followings as Group Company of our Company:

1. GRIFFON SECURITIES PRIVATE LIMITED

DETAILS OF OUR GROUP COMPANY

The details of our Group Company are as provided below:

1. **GRIFFON SECURITIES PRIVATE LIMITED**

Corporate information

Griffon Securities Private Limited is incorporated on June 28, 1995, CIN is U99999MH1995PTC090022 and Registered Office is situated at 49, Jaykar Smruti, Aarey Road, Goregaon West, Mumbai-400062, Maharashtra, India.

Griffon Securities Private Limited is engaged in the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in plastic, polymers, diamonds, gold, silver, metals, importers and exporters of bullion and other metals, carry on construction and its related activities, carry on the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in plastic, polymers, diamonds, gold, silver, metals, importers and exporters of bullion and other metals.

Financial Performance

As required under the SEBI ICDR Regulations, Griffon Securities Private Limited’s financial information based on the audited financial statements for Fiscals 2024, 2023 and 2022 is available on the website of our Company at <http://www.bhavikenterprises.com/>.

LITIGATION

As on the date of this Draft Prospectus, there is no pending litigation involving our Group Company which will have a material impact on our Company.

NATURE AND EXTENT OF INTEREST OF GROUP COMPANY

Our Group Company do not have any interest in the promotion of our Company. Our Group Company is not interested in any properties acquired by our Company in the three years preceding the filing of this Draft Prospectus or proposed to be acquired by our Company. Our Group Company is not interested in any transactions for acquisition of land, construction of building or supply of machinery other than as stated in “Our Business”, “History and Certain Corporate Matters”, “Objects of the Offer” and “Financial Information” on pages 130, 166, 78 and 192 respectively.

COMMON PURSUITS BETWEEN OUR GROUP COMPANY AND OUR COMPANY

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises. Further, we have not entered into any non-compete or similar arrangement with Group Company or otherwise with our Promoters as the group company is currently engaged in the business of construction which is not the

same line of business as our Company. However, there can be no assurance that this Group Company will not in future engage in any competing business activity or acquire interests in competing ventures. In addition, some of our directors are also directors on the boards of our group company. These overlapping directorships could create conflicts of interest between us and the Promoters.

RELATED BUSINESS TRANSACTIONS WITHIN THE GROUP AND SIGNIFICANCE ON THE FINANCIAL PERFORMANCE OF OUR COMPANY

Other than the transactions disclosed in “Restated Financial Statements” beginning on page 192 of this Draft Prospectus, there are no other business transactions between our Company and the Group Company which are significant to the financial performance of our Company.

BUSINESS INTERESTS OR OTHER INTERESTS

Except in the ordinary course of business and as disclosed in “Restated Financial Statements” beginning on page 192 of this Draft Prospectus, our Group Company do not have any business interest in our Company.

OTHER CONFIRMATIONS

None of our Group Company have its equity shares listed on stock exchanges. Further, our Group Company have not made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus.

DIVIDEND POLICY

Under the Companies Act, 2013 our Company can pay dividends upon a recommendation by our Board of Directors and approval by a majority of the shareholders at the General Meeting and as per provisions of Articles of Association of our Company. The shareholders of the Company have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both. The Articles of Association of our Company also gives the discretion to our Board of Directors to declare and pay interim dividends.

Our Company does not have any formal dividend policy for the Equity Shares. The dividend pay - out shall be determined by our Board after taking into account a number of factors, including but not limited to : (i) internal factors such as profits earned during the year, present and future capital requirements of the existing businesses, business acquisitions, expansion/modernization of existing businesses, availability of external finance and relative cost of external funds, additional investments in subsidiaries/associates/joint ventures of our Company and restrictions on loan agreement(s); and (ii) external factors such as economic and industry outlook, growth outlook, statutory/regulatory restrictions and covenants with lenders/bond holders. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board.

For details of risks in relation to our capability to pay dividend, see Risk Factors – *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.*

Our Company has not paid / declared any dividend in nine-month period ended December 31, 2024 and in last three years from date of this Draft Prospectus.

SECTION VII – FINANCIAL INFORMATION

RESTATED FINANCIAL INFORMATION

| Sr. No. | Particulars | Page No |
|----------------|-------------------------------|----------------|
| 1. | Restated Financial Statements | 193-228 |

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Examination Report for the Restated Financial Statements of **“Bhavik Enterprises Limited”**

Examination Report on the Restated Statement of Assets and Liabilities as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, Restated Statement of Profit and Loss and Restated Cash Flow Statement for the nine months ended December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022 of “Bhavik Enterprises Limited” (collectively, the “Restated Summary Statements”)

To,

The Board of Directors

Bhavik Enterprises Limited

1105, 11th Floor, DLH Park,

Opp. MTNL Tel. Exchange, S.V. Road,

Goregaon (W) Mumbai-400062.

Dear Sir,

1. We have examined the attached Restated Statements of Assets and Liabilities of **Bhavik Enterprises Limited** (the “Company”) along with significant accounting policies and related notes as on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022, Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the nine months period ended on December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, annexed to this report and prepared by the Company for the purpose of inclusion in the Offer Document (collectively the “Restated Summary Statements” or “Restated Financial Statements”). These Restated Summary Statements have been prepared by the company and approved by the Board of Directors of the company in connection with the Initial its proposed Initial Public Offering (“IPO”) on the SME Platform of BSE Limited.
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 1. 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;
 2. 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;
 3. The Guidance Note on Reports in Company Draft Prospectus / Prospectus (Revised) issued by the Institute of Chartered Accountants of India (“ICAI”) (“Guidance Note”);
 4. The applicable regulation of SEBI (ICDR) Regulations, 2018, as amended, and as per Schedule VI (Part A) (11) (II) of the said Regulations; and
 5. The terms of reference to our engagement letter with the company dated December 27, 2024 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 Note 1 to 40) have been extracted by the Management of the Company from:

The Company’s Financial Statements for the nine month period ended December 31, 2024 and financial year ended March 31, 2024, 2023 and 2022 which have been approved by the Board of Directors at their meetings 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 nine months ended December 31, 2024, financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 was duly audited by respective Statutory Auditors of the Company on which they have issued Unmodified reports. Details of opinion and annexure for qualification in auditors report is mentioned as under :-

| Auditor | For the year / period ended | Opinion | Refer Annexure |
|-----------------------------|------------------------------------|--------------------|-----------------------|
| Payal Gada & Co. | March 31, 2022 | Unmodified Opinion | - |
| Payal Gada & Co. | March 31, 2023 | Unmodified Opinion | - |
| Payal Gada & Co. | March 31, 2024 | Unmodified Opinion | - |
| <i>M Parashar & Co.</i> | December 31, 2024 | Unmodified Opinion | - |

4. In accordance with the requirements 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:

1. The **Restated Statement of Assets and Liabilities** for the nine months ended December 31, 2024 and financial year ended on March 31, 2024, 2023 and 2022 examined by us, as set out in **Note 1** 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 Note 4 to 29 to this Report.
2. The **Restated Statement of Profit and Loss** of the Company for the nine months ended December 31, 2024 and financial year ended on March 31, 2024, 2023 and 2022 examined by us, as set out in **Note 2** 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 Note 4 to 29 to this Report.
3. The **Restated Statement of Cash Flows** of the Company for the nine months ended December 31, 2024 and financial year ended on March 31, 2024, 2023 and 2022, examined by us, as set out in **Note 3** 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 Note 4 to 29 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 special purpose audit report thereon given by us for the nine months ended December 31, 2024 and the re-audit for the year ended March 31, 2024 and the audit reports given by Payal Gada & Co., Chartered Accountants, the Statutory Auditor of the Company for the financial year ended on March 31, 2023 and March 31, 2022, and to the best of our information and according to the explanation given to us, we are of the opinion that Restated Financial Statement:

1. 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 December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022.
2. have been made after incorporating adjustments for prior period and other material amounts, if any, in the respective financial years/period to which they relate to;
3. 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;
4. 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 Polices and Notes to Accounts as set out in Note 4 to 29 to this report;
5. Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies,

6. There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements;
 7. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
 8. The Company has not paid dividends during the financial years under review.
6. 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 nine months ended on December 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 proposed to be included in the Offer Document for the proposed IPO:
1. Statement of Share Capital, as restated in **Note 5** to this report.
 2. Statement of Reserves & Surplus, as restated in **Note 6** to this report.
 3. Statement of Long-Term Provisions, as restated in **Note 7** to this report.
 4. Statement of Deferred Tax Liabilities, as restated in **Note 8** to this report.
 5. Statement of Trade Payables as restated in **Note 9** to this report.
 6. Statement of Other Current Liabilities as restated in **Note 10** to this report.
 7. Statement of Short-term Provisions as restated in **Note 11** to this report.
 8. Statement of Plant, Property & Equipment and Intangible Assets, as restated in **Note 12** to this report.
 9. Statement of Non-Current Investment as restated in **Note 13** to this report.
 10. Statement of Long-Term Loan and Advances as restated in **Note 14** to this report.
 11. Statement of Other Non-Current Assets as restated in **Note 15** to this report.
 12. Statement of Inventories as restated in **Note 16** to this report.
 13. Statement of Trade Receivables as restated in **Note 17** to this report.
 14. Statement of Cash and Bank Balance as restated in **Note 18** to this report.
 15. Statement of Short-Term Loan and Advances as restated in **Note 19** to this report.
 16. Statement of Other Current assets as restated in **Note 20** to this report.
 17. Statement of Revenue from operations as restated in **Note 21** to this report.
 18. Statement of Other income as restated in **Note 22** to this report.
 19. Statement of Purchase Cost as restated in **Note 23** to this report.
 20. Statement of Operating Cost as restated in **Note 24** to this report.
 21. Statement of Changes in inventories of Stock in Trade as restated in **Note 25** to this report.
 22. Statement of Employee benefit expense as restated in **Note 26** to this report.
 23. Statement of Finance costs as restated in **Note 27** to this report.
 24. Statement of Depreciation and amortisation expense as restated in **Note 28** to this report.

25. Statement of Other expenses as restated in **Note 29** to this report.
 26. Statement of Current Tax and Deferred Tax as restated in **Note 30** to this report.
 27. Statement of Earning per share as restated in **Note 31** to this report.
 28. Statement of Segment information as restated in **Note 32** to this report.
 29. Statement of Employee benefit plans as restated in **Note 33** to this report.
 30. Statement of Related party disclosures as restated in **Note 34** to this report.
 31. Statement of Additional Notes as restated in **Note 35** to this report.
 32. Statement of Other Statutory Information as restated in **Note 36** to this report.
 33. Statement of Ratio Analysis and its elements as restated in **Note 37** to this report
 34. Statement of Accounting Ratios as restated in **Note 38** to this report.
 35. Statement of Capitalization as restated in **Note 39** to this report.
 36. Statement of Tax Shelters as restated in **Note 40** to this report.
-
7. We, *M Parashar & Co.*, Chartered Accountants hold a valid peer review certificate issued by the “Peer Review Board” of the Institute of Chartered Accountants of India (“ICAI”).
 8. 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.
 9. 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 or other auditor, nor should this report be construed as an opinion on any of the Financial Information referred to herein.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. In our opinion, the above Restated Financial Statements contained in **Note 1 to 40** to this report read along with the ‘Significant Accounting Policies and Notes to the Financial Statements’ appearing in **Note 4 to 29** 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.

12. 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 *M Parashar & Co.*
Chartered Accountants
(Registration No. *110954C*)

Sd/-

CA Amit Parashar
Partner
Membership No. *430317*
Place: *Mumbai*
Date: *18/04/2025*
UDIN: *25430317BMIVIO1856*

| Bhavik Enterprises Limited CIN : U51900MH2008PLC186771 STATEMENT OF ASSETS AND LIABILITIES AS RESTATED All amounts are ₹ in Lakhs unless otherwise stated | | | | | |
|---|------|---|----------------------|----------------------|----------------------|
| Note - 1 | | | | | |
| Particulars | Note | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
| Equity and liabilities | | | | | |
| Shareholders' Funds | | | | | |
| (a) Share capital | 5 | 528.60 | 528.60 | 528.60 | 528.60 |
| (b) Reserves and Surplus | 6 | 9,113.39 | 8,705.00 | 7,915.88 | 6,359.90 |
| Total Shareholders' Funds | | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Non-current liabilities | | | | | |
| (a) Long term Provisions | 7 | 20.86 | 17.09 | 15.16 | 13.42 |
| (b) Deferred Tax Liabilities (Net) | 8 | 0.02 | 3.10 | 5.30 | 4.25 |
| Total non-current liabilities | | 20.88 | 20.19 | 20.46 | 17.67 |
| Current liabilities | | | | | |
| (a) Trade payables | 9 | | | | |
| - Total outstanding dues to micro and small enterprises | | 112.38 | 46.11 | 40.58 | 42.06 |
| - Total outstanding dues of creditors other than micro and small enterprises | | 6,627.99 | 4,052.67 | 6,975.64 | 4,778.82 |
| (b) Other current liabilities | 10 | 51.20 | 258.82 | 135.70 | 112.81 |
| (c) Short term Provisions | 11 | 37.61 | 40.84 | 129.61 | 69.64 |
| Total current liabilities | | 6,829.19 | 4,398.44 | 7,281.54 | 5,003.32 |
| Total Shareholders Fund and Liabilities | | 16,492.06 | 13,652.22 | 15,746.48 | 11,909.50 |
| Assets | | | | | |
| Non-current assets | | | | | |
| (a) Property, plant and equipment and Intangible Asset | | | | | |
| -Property, plant and equipment | 12 | 120.64 | 134.98 | 154.14 | 121.58 |
| (b) Non Current Investments | 13 | 0.00 | 1.16 | 1.16 | 1.16 |
| (c) Long Term Loan and Advances | 14 | 1,090.52 | 657.68 | 657.68 | 333.38 |
| (d) Other Non Current assets | 15 | 24.98 | 54.08 | 52.12 | 102.79 |
| Total non-current assets | | 1,236.14 | 847.90 | 865.10 | 558.92 |
| Current assets | | | | | |
| (a) Inventories | 16 | 6,821.99 | 2,798.75 | 4,449.23 | 2,585.92 |
| (b) Trade receivables | 17 | 5,737.05 | 3,465.52 | 4,157.22 | 3,735.23 |
| (c) Cash and Bank Balance | 18 | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |
| (d) Short Term Loan and Advances | 19 | 1,050.03 | 352.78 | 109.89 | 164.62 |
| (e) Other Current assets | 20 | 6.63 | 77.57 | 41.58 | 30.36 |
| Total current assets | | 15,255.92 | 12,804.32 | 14,881.38 | 11,350.59 |
| Total assets | | 16,492.06 | 13,652.22 | 15,746.48 | 11,909.50 |
| The accompanying notes form an integral part of the financial statements. | | | | | |
| As per our report of even date attached | | | | | |
| For M Parashar & Co. Chartered Accountants Firm Reg. No.: 110954C Sd/- Amit Parashar Partner M No. 430317 Place: Mumbai Date : 18/04/2025 UDIN : 25430317BMIVIO1856 | | For and on behalf of Board of Directors of Bhavik Enterprises Limited Sd/- Mukesh Natverlal Thakkar Whole-time director DIN : 01867515 Sd/- Anish Shah Chief Financial Officer Place: Mumbai Date : 18/04/2025 | | | |
| | | Sd/- Bhavik Mukesh Thakkar Managing Director DIN : 01867522 Sd/- Nikhil D Bhatt Company Secretary M No. : A22219 Place: Mumbai Date : 18/04/2025 | | | |

Bhavik Enterprises Limited
CIN :U51900MH2008PLC186771
STATEMENT OF PROFIT AND LOSS AS RESTATED
All amounts are ₹ in Lakhs unless otherwise stated

Note - 2

| Particulars | | Note | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-------------|--|------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| I | Revenue from operations | 21 | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| II | Other income | 22 | 424.06 | 622.40 | 381.66 | 376.12 |
| III | Total income (I + II) | | 39,053.96 | 50,034.76 | 49,108.22 | 28,752.48 |
| IV | Expenses | | | | | |
| | (a) Purchase Cost | 23 | 40,301.31 | 46,188.51 | 45,621.65 | 26,375.70 |
| | (b) Operating Cost | 24 | 1,231.53 | 1,483.31 | 1,317.92 | 633.71 |
| | (c) Changes in inventories of Stock in Trade | 25 | (3,406.63) | 795.05 | (417.79) | 422.86 |
| | (d) Employee benefit expense | 26 | 169.47 | 172.96 | 162.03 | 162.44 |
| | (e) Finance costs | 27 | 10.48 | 19.08 | 34.18 | 11.95 |
| | (f) Depreciation and amortisation expense | 28 | 15.07 | 20.34 | 7.23 | 10.34 |
| | (g) Other expenses | 29 | 180.95 | 289.82 | 296.12 | 225.15 |
| | Total expenses (IV) | | 38,502.16 | 48,969.06 | 47,021.33 | 27,842.14 |
| V | Profit before tax (III - IV) | | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| VI | Tax expense | | | | | |
| | (1) Current tax | 30 | 146.49 | 278.79 | 529.86 | 234.31 |
| | (2) Deferred tax expense/ (credit) | 30 | (3.08) | (2.20) | 1.05 | (0.12) |
| | Total tax expense (VI) | | 143.41 | 276.59 | 530.91 | 234.20 |
| VII | Profit for the year (V - VI) | | 408.39 | 789.12 | 1,555.97 | 676.14 |
| VIII | Earnings per equity share (adjusted for the bonus shares issued after the balance sheet date) | 31 | | | | |
| | (1) Restated Basic (₹) | | 2.58 | 4.98 | 9.81 | 4.26 |
| | (2) Restated Diluted (₹) | | 2.58 | 4.98 | 9.81 | 4.26 |

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

**For and on behalf of Board of Directors of
Bhavik Enterprises Limited**

For M Parashar & Co.
Chartered Accountants
Firm Reg. No.: 110954C

Sd/-

Sd/-

Amit Parashar
Partner
M No. 430317
Place: Mumbai
Date : 18/04/2025

Mukesh Natverlal Thakkar
Whole-time director
DIN : 01867515

Bhavik Mukesh Thakkar
Managing Director
DIN : 01867522

Sd/-

Sd/-

Anish Shah
Chief Financial Officer

Nikhil D Bhatt
Company Secretary
M No. : A22219

Place: Mumbai
Date : 18/04/2025

Place: Mumbai
Date : 18/04/2025

Bhavik Enterprises Limited
CIN : U51900MH2008PLC186771
Restated Statement of Cash flows
All amounts are ₹ in Lakhs unless otherwise stated

Note - 3

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Cash flows from operating activities | | | | |
| Profit before tax | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Adjustments for: | | | | |
| Finance costs | 0.11 | 2.51 | 0.68 | 0.37 |
| Gratuity Expense | 4.24 | 3.73 | 1.31 | 2.71 |
| Sundry Creditors written Back | (0.05) | (5.01) | 0.63 | - |
| Loss/(Profit) on sale of Investments | (1.60) | - | - | - |
| Loss/(Profit) on sale of Motor car | - | - | (0.08) | - |
| Interest income | (202.33) | (266.67) | (217.90) | (152.45) |
| Depreciation and amortisation expenses | 15.07 | 20.34 | 7.23 | 10.34 |
| Operating profit before working capital changes | 367.23 | 820.60 | 1,878.76 | 771.31 |
| Adjustments for: | | | | |
| (Increase)/decrease in operating assets | | | | |
| Trade receivables | (2,271.53) | 691.70 | (421.98) | (727.79) |
| Inventories | (4,023.24) | 1,650.48 | (1,863.31) | 254.20 |
| Other Non-Current Assets | 29.10 | (1.96) | 50.67 | 0.30 |
| Long Term Loan and Advances | (32.83) | - | - | - |
| Short Term Loan and Advances | (697.25) | (242.88) | 54.72 | (25.83) |
| Other Current Assets | 70.93 | (35.99) | (11.22) | (0.08) |
| Increase/(decrease) in operating liabilities | | | | |
| Trade payables | 2,641.64 | (2,912.44) | 2,194.73 | 209.05 |
| Provisions (Long Term & Short Term) | (8.83) | (191.05) | 132.86 | (373.97) |
| Other current liabilities | (207.62) | 123.12 | 22.90 | (15.39) |
| Changes in Working Capital | (4,499.63) | (919.02) | 159.37 | (679.51) |
| Cash generated from operations | (4,132.39) | (98.42) | 2,038.13 | 91.79 |
| Income tax paid | (141.35) | (178.32) | (602.33) | (40.74) |
| Net cash generated by operating activities | (4,273.75) | (276.74) | 1,435.80 | 51.06 |
| Cash flows from investing activities | | | | |
| Sale of Investments | 2.76 | - | - | - |
| Advance given against Property Purchase | (400.00) | - | (324.30) | - |
| Purchase of property, plant and equipment and other intangible assets | (0.73) | (1.17) | (46.04) | (1.12) |
| Interest Income | 202.33 | 266.67 | 217.90 | 152.45 |
| Proceeds from disposal of property, plant and equipment and other intangible assets | - | - | 6.33 | - |
| Net cash used in investing activities | (195.64) | 265.50 | (146.11) | 151.33 |
| Cash flows from financing activities | | | | |
| Interest paid | (0.11) | (2.51) | (0.68) | (0.37) |
| Net cash (used in) / generated by financing activities | (0.11) | (2.51) | (0.68) | (0.37) |
| Net increase/ (decrease) in cash and cash equivalents | (4,469.50) | (13.75) | 1,289.01 | 202.01 |
| Cash and cash equivalents at the beginning of the year | 6,109.72 | 6,123.46 | 4,834.46 | 4,632.44 |
| Cash and cash equivalents at the end of the year | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |
| Reconciliation of cash and cash equivalents with the Balance Sheet: | | | | |
| Cash and cash equivalents at end of the year (Refer Note 17) | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |

Note:

The above cash flow statement has been prepared under Indirect Method as set out in Accounting Standard 3, 'Cash Flow Statements' notified under section 133 of the Companies Act, 2013.

The accompanying notes form an integral part of the financial statements.

For M Parashar & Co.
Chartered Accountants
Firm Reg. No.: 110954C

Sd/-

Amit Parashar
Partner
Place: Mumbai
Date : 18/04/2025

For and on behalf of the Board of Directors of
Bhavik Enterprises Limited

Sd/-

Mukesh Natverlal Thakkar
Whole-time director
DIN : 01867515

Sd/-

Anish Shah
Chief Financial Officer

Place: Mumbai
Date : 18/04/2025

Sd/-

Bhavil Mukesh Thakkar
Managing Director
DIN : 01867522

Sd/-

Nikhil D Bhatt
Company Secretary
M No. : A22219

Place: Mumbai
Date : 18/04/2025

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
All amounts are ₹ in Lakhs unless otherwise stated

3 a . NOTES ON RECONCILIATION OF RESTATED PROFITES

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| Net Profit/(Loss) after Tax as per Audited Profit & Loss Account. | 407.24 | 783.21 | 1,537.98 | 669.49 |
| Adjusted for: | | | | |
| Gratuity Expense | (0.34) | (0.90) | 0.60 | (0.04) |
| deferred Tax Expense | 0.09 | 0.23 | (0.15) | 0.01 |
| Income Tax Expense | (0.51) | 6.58 | 17.55 | 6.69 |
| Prior Period Expense | 1.92 | - | - | - |
| Net Profit/(Loss) after Tax as Restated. | 408.39 | 789.12 | 1,555.97 | 676.14 |

Explanatory notes to the above restatements to profits made in the audited Financial Statement of the Company for the respective years:

1. Gratuity Expense: The Company has not recognised gratuity liability as per AS-15 which has now been provided for and restated.
2. Deferred Tax: The Company has not calculated deferred tax impact incorrectly which is now been restated.
3. Income Tax Expense: The Company had recognised the income tax expense on audited profit which has now been provided for and restated.
3. Prior Period Expense: The Company had derecognised asset in current year while in Restated numbers effect is given retrospectively

3 b. NOTES ON RECONCILIATION OF RESTATED SHAREHOLDERS FUNDS

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| Shareholders Fund (a) | 9,611.93 | 9,204.69 | 8,421.48 | 6,883.51 |
| Adjusted for: | | | | |
| Opening difference in Reserves & Surplus | 28.90 | 23.00 | 5.00 | - |
| Gratuity Expense Recognised | - | - | - | 0.34 |
| Impaired Asset Derecognised | - | - | - | (1.92) |
| deferred Tax of earlier years | - | - | - | (0.09) |
| Change in Profit/(Loss) | 1.15 | 5.91 | 18.00 | 6.66 |
| Shareholders Fund after Tax as Restated. | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |

Explanatory notes to the above restatements to profits made in the audited Financial Statement of the Company for the respective years:

1. Gratuity Expense Recognised : Gratuity Expense which was not recognised for earlier years is not recognised and restated in opening reserves for Impact related to period on or before March 31, 2021.
2. Impaired Asset Derecognised: The Company has not derecognised impaired assets now derecognised.
3. deferred Tax of earlier years: Changes in Gratuity Expense of earlier years impacted Deferred Tax Calculation now been restated.
4. Opening difference in Reserves & Surplus: Difference of Previous year Audited numbers and Restated numbers.
5. Change in Profit/(Loss): Refer Note 3a.

3 c. Adjustments having no Impact on Net worth and Profit:

a. Material Regrouping

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

Bhavik Enterprise Limited

CIN: U51900MH2008PLC186771

Note 4: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH

1. CORPORATE INFORMATION

Bhavik Enterprise Limited is a company Incorporated on September 15, 2008. The corporate identification number of the company is U51900MH2008PLC186771. The company is engaged in the business Trading of Imported Goods.

2. SIGNIFICANT ACCOUNTING POLICIES

2.01 BASIS OF ACCOUNTING AND PREPARATION OF FINANCIAL STATEMENTS

The restated summary statement of assets and liabilities of the Company as at Dec 31, 2024, March 31, 2024, March 31, 2023 and 2022 and the related restated summary statement of profits and loss and cash flows for the year/period ended Dec 31, 2024, March 31, 2024, March 31, 2023 and 2022 (herein collectively referred to as ("Restated Summary Statements") have been compiled by the management from the audited Financial Statements of the Company for the year/period ended on Dec 31, 2024, March 31, 2024, March 31, 2023 and 2022 approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part 1 of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the BSE in connection with its proposed SME IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles in India. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

2.02 USE OF ESTIMATES

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/ materialise.

2.03 PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS

(i) Property, Plant & Equipment

All Property, Plant & Equipment are recorded at cost including taxes, duties, freight and other incidental expenses incurred in relation to their acquisition and bringing the asset to its intended use.

(ii) Intangible Assets

Intangible Assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

2.04 DEPRECIATION/AMORTISATION

Depreciation on fixed assets is calculated on a written down value method using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013. Individual assets cost of which doesn't exceed Rs. 500/- each are depreciated in full in the year of purchase. In respect of the assets, if any, acquired during the year, depreciation is provided on pro rata basis, for the month, or the part of the month in which asset is put to use.

2.05 INVENTORIES

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in, first-out principle.

2.06 IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

2.07 INVESTMENTS:

Non-current investments are carried at cost less any other-than-temporary diminution in value, determined on the specific identification basis. Profit or loss on sale of investments is determined as the difference between the sale price and carrying value of investment, determined individually for each investment. Cost of investments sold is arrived using average method.

2.08 FOREIGN CURRENCY TRANSLATIONS

Income and expense in foreign currencies are converted at exchange rates prevailing on the date of the transaction. Any income or expense on account of exchange difference either on settlement or on translation at the balance sheet date is recognized in Profit & Loss Account in the year in which it arises.

2.09 BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

2.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provision involving substantial degree of estimation in measurement 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. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

2.11 REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Sales are recognized on transfer of significant risk and ownership which generally coincide with the despatch of the goods.

2.12 OTHER INCOME

Income earned by the company on account of non - operating activities, are accounted under other Income.

2.13 TAXES ON INCOME

Income taxes are accounted for in accordance with Accounting Standard (AS-22) - "Accounting for taxes on income", notified under Companies (Accounting Standards) Rules, 2021. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

2.14 CASH AND BANK BALANCES

Cash and cash equivalents comprises Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

2.15 EARNINGS PER SHARE

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

2.16 EMPLOYEE BENEFITS

Defined Contribution Plan:

Contributions payable to the recognised provident fund, which is a defined contribution scheme, are charged to the statement of profit and loss. Defined Benefit Plan:

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service without any monetary limit. Vesting occurs upon completion of five years of service. The Company has an obligation towards Leave Encashment. Provision for gratuity and leave encashment has been made in the books as per actuarial valuation done as at the end of the year.

2.17 SEGMENT REPORTING

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue/ expenses/assets/ liabilities".

2.18 CASH FLOW STATEMENTS

Cash flows are reported using the indirect method, whereby profit/(loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.19 EVENT OCCURRING AFTER THE BALANCE SHEET DATE

Assets and Liabilities are adjusted for events occurring after the Balance Sheet date that provide additional evidence to assist the estimation of amounts relating to condition existing at the Balance sheet date.

2.20 NET PROFIT OR LOSS FOR THE PRIOR PERIOD, PRIOR PERIOD ITEMS AND CHANGES IN ACCOUNTING POLICIES

Significant items of Extra-Ordinary Items, and Prior Period Incomes and Expenditures, are accounted in accordance with Accounting Standards 5.

2.21 GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that the conditions attached to them will be complied with and the grants will be received.

- Grants related to revenue are recognized in the Statement of Profit and Loss on a systematic basis over the periods in which the related costs are incurred.
- Grants related to assets are treated as deferred income and recognized in the Statement of Profit and Loss over the useful life of the related asset.
- Refunds of grants are adjusted in the period in which they become repayable.

5 Equity share capital

| Particulars | As at Dec 31, 2024 | | As at March 31, 2024 | |
|---|--------------------|------------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Authorised capital | | | | |
| Equity Shares of ₹ 10/- each | 115,000,000 | 11,500.00 | 7,500,000 | 750.00 |
| | 115,000,000 | 11,500.00 | 7,500,000 | 750.00 |
| Issued, subscribed and fully paid up | | | | |
| 52,86,003 Equity Shares of ₹ 10/- each | 5,286,003 | 528.60 | 5,286,003 | 528.60 |
| | 5,286,003 | 528.60 | 5,286,003 | 528.60 |

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---|----------------------|---------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Authorised capital | | | | |
| Equity Shares of ₹ 10/- each | 7,500,000 | 750.00 | 7,500,000 | 750.00 |
| | 7,500,000 | 750.00 | 7,500,000 | 750.00 |
| Issued, subscribed and fully paid up | | | | |
| 52,86,003 Equity Shares of ₹ 10/- each | 5,286,003 | 528.60 | 5,286,003 | 528.60 |
| | 5,286,003 | 528.60 | 5,286,003 | 528.60 |

5.1 Rights, preference and restriction attached to equity shares

1) **Terms/Rights attached to Equity Shares:** The company has only one class of Equity Shares having a par value of 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Share holders.

2) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

3) Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.

5.2 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year

| Particulars | As at Dec 31, 2024 | | As at March 31, 2024 | |
|---------------------------------------|--------------------|---------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the relevant year | 5,286,003 | 528.60 | 5,286,003 | 528.60 |
| Add: Issued during the year | - | - | - | - |
| At the end of the year | 5,286,003 | 528.60 | 5,286,003 | 528.60 |

| Particulars | As at March 31, 2023 | | As at March 31, 2022 | |
|---------------------------------------|----------------------|---------------|----------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| At the beginning of the relevant year | 5,286,003 | 528.60 | 5,286,003 | 528.60 |
| Add: Issued during the year | - | - | - | - |
| At the end of the year | 5,286,003 | 528.60 | 5,286,003 | 528.60 |

5.3 Details of shares held by each shareholder holding more than 5% shares:

| Name of shareholder | As at Dec 31, 2024 | | As at March 31, 2024 | |
|------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Mrs. Purnima Mukesh Thakkar | 3,028,000 | 57.28% | 3,028,000 | 57.28% |
| Mr. Mukesh Natverlal Thakkar | 1,208,000 | 22.85% | 1,208,000 | 22.85% |
| Mr. Bhavik Mukesh Thakkar | 825,500 | 15.62% | 825,500 | 15.62% |
| Total | 5,061,500 | 95.75% | 5,061,500 | 95.75% |

| Name of shareholder | As at March 31, 2023 | | As at March 31, 2022 | |
|------------------------------|-----------------------|-----------------------------------|-----------------------|-----------------------------------|
| | Number of shares held | % holding in that class of shares | Number of shares held | % holding in that class of shares |
| Mrs. Purnima Mukesh Thakkar | 3,028,000 | 57.28% | 3,028,000 | 57.28% |
| Mr. Mukesh Natverlal Thakkar | 1,208,000 | 22.85% | 1,208,000 | 22.85% |
| Mr. Bhavik Mukesh Thakkar | 825,500 | 15.62% | 825,500 | 15.62% |
| Total | 5,061,500 | 95.75% | 5,061,500 | 95.75% |

5.4 Details of Change in % holding of the Promoters

| Promoter Name | As at Dec 31, 2024 | | | As at March 31, 2024 | | |
|------------------------------|-----------------------|-------------------|--------------------------|-----------------------|-------------------|--------------------------|
| | Number of shares held | % of total shares | % Change during the year | Number of shares held | % of total shares | % Change during the year |
| Mrs. Purnima Mukesh Thakkar | 3,028,000 | 57.28% | 0.00% | 3,028,000 | 57.28% | 0.00% |
| Mr. Mukesh Natverlal Thakkar | 1,208,000 | 22.85% | 0.00% | 1,208,000 | 22.85% | 0.00% |
| Mr. Bhavik Mukesh Thakkar | 825,500 | 15.62% | 0.00% | 825,500 | 15.62% | 0.00% |

| Promoter Name | As at March 31, 2023 | | | As at March 31, 2022 | | |
|------------------------------|-----------------------|-------------------|--------------------------|-----------------------|-------------------|--------------------------|
| | Number of shares held | % of total shares | % Change during the year | Number of shares held | % of total shares | % Change during the year |
| Mrs. Purnima Mukesh Thakkar | 3,028,000 | 57.28% | 0.00% | 3,028,000 | 57.28% | 0.00% |
| Mr. Mukesh Natverlal Thakkar | 1,208,000 | 22.85% | 0.00% | 1,208,000 | 22.85% | 0.00% |
| Mr. Bhavik Mukesh Thakkar | 825,500 | 15.62% | 0.00% | 825,500 | 15.62% | 0.00% |

5.5 Aggregate number of bonus share issued and share issued for consideration other than cash during the period of 5 years immediately preceding the reporting date:

There were no buy back of shares or issue of shares pursuant to contract without payment being received in cash during the previous 5 years.

6 Reserves and Surplus

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|-------------------|--------------------|----------------------|----------------------|----------------------|
| Retained earnings | 9,113.39 | 8,705.00 | 7,915.88 | 6,359.90 |
| Total | 9,113.39 | 8,705.00 | 7,915.88 | 6,359.90 |

6.1 Retained earnings

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|-----------------------------------|--------------------|----------------------|----------------------|----------------------|
| Balance at beginning of the year | 8,705.00 | 7,915.88 | 6,359.90 | 5,683.76 |
| Profit/(Loss) for the year | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Balance at end of the year | 9,113.39 | 8,705.00 | 7,915.88 | 6,359.90 |

Retained earnings are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Company.

7 Long term Provisions

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| Provision for employee benefits - Gratuity | 20.86 | 17.09 | 15.16 | 13.42 |
| Total | 20.86 | 17.09 | 15.16 | 13.42 |

8 Deferred tax asset (net)

8.1 Deferred tax asset/(liabilities) in relation to the year ended Dec 31, 2024

| Particulars | Opening Balance as on April 1, 2024 | Recognised in Profit or loss (expense)/ credit | Closing balance as on Dec 31, 2024 |
|-------------------------------|-------------------------------------|--|------------------------------------|
| Property, plant and equipment | (8.08) | 2.01 | (6.06) |
| Gratuity | 4.98 | 1.07 | 6.05 |
| Total | (3.09) | 3.08 | (0.02) |

8.2 Deferred tax asset/(liabilities) in relation to the year ended March 31, 2024

| Particulars | Opening Balance as on April 1, 2023 | Recognised in Profit or loss (expense)/ credit | Closing balance as on March 31, 2024 |
|-------------------------------|-------------------------------------|--|--------------------------------------|
| Property, plant and equipment | (9.50) | 1.43 | (8.08) |
| Gratuity | 4.20 | 0.78 | 4.98 |
| Total | (5.30) | 2.20 | (3.10) |

8.3 Deferred tax asset/(liabilities) in relation to the year ended March 31, 2023

| Particulars | Opening Balance as on April 1, 2022 | Recognised in Profit or loss (expense)/ credit | Closing balance as on March 31, 2023 |
|-------------------------------|-------------------------------------|--|--------------------------------------|
| Property, plant and equipment | (8.12) | (1.38) | (9.50) |
| Gratuity | 3.87 | 0.33 | 4.20 |
| Total | (4.25) | (1.05) | (5.30) |

8.4 Deferred tax asset/(liabilities) in relation to the year ended March 31, 2022

| Particulars | Opening Balance as at April 01, 2021 | Recognised in Profit or loss (expense)/ credit | Closing balance as at March 31, 2022 |
|-------------------------------|--------------------------------------|--|--------------------------------------|
| Property, plant and equipment | (7.84) | (0.28) | (8.12) |
| Gratuity | 3.47 | 0.40 | 3.87 |
| Total | (4.37) | 0.12 | (4.25) |

9 Trade payables

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|-------------------------|
| (a) Total outstanding dues of micro and small enterprises | 112.38 | 46.11 | 40.58 | 42.06 |
| (b) Total outstanding dues of creditors other than micro and small enterprises | 6,627.99 | 4,052.67 | 6,975.64 | 4,778.82 |
| Total | 6,740.37 | 4,098.78 | 7,016.23 | 4,820.87 |

9.1 Ageing of trade payables

As on Dec 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-------------|-----------|-------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | |
| - MSME | 112.38 | - | - | - | 112.38 |
| - Others | 6,627.40 | 0.59 | - | - | 6,627.99 |
| Disputed dues | | | | | |
| - MSME | - | - | - | - | - |
| - Others | - | - | - | - | - |
| Total | 6,739.78 | 0.59 | - | - | 6,740.37 |

As on March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-----------|-----------|-------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | |
| - MSME | 46.11 | - | - | - | 46.11 |
| - Others | 4,052.67 | - | - | - | 4,052.67 |
| Disputed dues | | | | | |
| - MSME | - | - | - | - | - |
| - Others | - | - | - | - | - |
| Total | 4,098.78 | - | - | - | 4,098.78 |

As on March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-----------|-----------|-------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | |
| - MSME | 40.58 | - | - | - | 40.58 |
| - Others | 6,975.64 | - | - | - | 6,975.64 |
| Disputed dues | | | | | |
| - MSME | - | - | - | - | - |
| - Others | - | - | - | - | - |
| Total | 7,016.23 | - | - | - | 7,016.23 |

As on March 31, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | Total |
|------------------------|--|-----------|-----------|-------------------|-----------------|
| | Less than 1 Year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed dues | | | | | |
| - MSME | 42.06 | - | - | - | 42.06 |
| - Others | 4,778.82 | - | - | - | 4,778.82 |
| Disputed dues | | | | | |
| - MSME | - | - | - | - | - |
| - Others | - | - | - | - | - |
| Total | 4,820.87 | - | - | - | 4,820.87 |

9.2 Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act):

The amounts due to Micro and Small Enterprises as defined in the 'The Micro, Small and Medium Enterprises Development Act, 2006' has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| (a) Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end | 112.38 | 46.11 | 40.58 | 42.06 |
| (b) Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end | - | - | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period | - | - | - | - |
| (c) Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period | - | - | - | - |
| (d) Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period | - | - | - | - |
| (e) Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - | - | - |
| (g) Further interest remaining due and payable for earlier periods | - | - | - | - |

10 Other current liabilities

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------|--------------------|----------------------|----------------------|----------------------|
| Statutory remittances | - | 181.20 | 43.50 | - |
| Advance from Customers | 12.45 | 63.84 | 79.41 | 91.70 |
| Taxes payable | 12.45 | 9.98 | 10.16 | 18.49 |
| Expenses Payable | 26.31 | 3.80 | 2.63 | 2.62 |
| Total | 51.20 | 258.82 | 135.70 | 112.81 |

11 Short term Provisions

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| Provision for employee benefits | | | | |
| - Gratuity | 3.16 | 2.69 | 1.53 | 1.95 |
| - CSR | 34.46 | 33.01 | 22.47 | 34.55 |
| Income tax payable (net of advance tax) | - | 5.14 | 105.61 | 33.14 |
| Total | 37.61 | 40.84 | 129.61 | 69.64 |

12 Property, plant and equipment

| Particulars | Office equipment | Furniture & Fixtures | Computer | Building/God own | Vehicles | Total |
|--------------------------------------|------------------|----------------------|-------------|------------------|--------------|---------------|
| I. Cost/Deemed Cost | | | | | | |
| Balance as at April 1, 2021 | 11.10 | 19.14 | 7.24 | 194.36 | 51.82 | 283.66 |
| Additions | 1.12 | - | - | - | - | 1.12 |
| Disposals | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 12.23 | 19.14 | 7.24 | 194.36 | 51.82 | 284.78 |
| Additions | 2.12 | - | - | - | 43.92 | 46.04 |
| Disposals | - | - | - | - | (36.78) | (36.78) |
| Balance as at March 31, 2023 | 14.35 | 19.14 | 7.24 | 194.36 | 58.97 | 294.05 |
| Additions | 1.17 | - | - | - | - | 1.17 |
| Disposals | - | - | - | - | - | - |
| Balance as at March 31, 2024 | 15.52 | 19.14 | 7.24 | 194.36 | 58.97 | 295.22 |
| Additions | 0.04 | - | 0.69 | - | - | 0.73 |
| Disposals | - | - | - | - | - | - |
| Balance as at Dec 31, 2024 | 15.56 | 19.14 | 7.93 | 194.36 | 58.97 | 295.95 |
| II. Accumulated depreciation | | | | | | |
| Balance as at April 1, 2021 | 10.03 | 17.91 | 6.99 | 77.67 | 40.26 | 152.85 |
| Depreciation expense for the year | 0.57 | 0.32 | 0.16 | 5.68 | 3.61 | 10.34 |
| Eliminated on disposal of assets | - | - | - | - | - | - |
| Balance as at March 31, 2022 | 10.61 | 18.23 | 7.14 | 83.35 | 43.87 | 163.20 |
| Depreciation expense for the year | 0.59 | 0.24 | 0.05 | 5.41 | 0.94 | 7.23 |
| Eliminated on disposal of assets | - | - | - | - | (30.52) | (30.52) |
| Balance as at March 31, 2023 | 11.20 | 18.47 | 7.20 | 88.76 | 14.29 | 139.90 |
| Depreciation expense for the year | 1.05 | 0.18 | 0.02 | 5.14 | 13.95 | 20.34 |
| Eliminated on disposal of assets | - | - | - | - | - | - |
| Balance as at March 31, 2024 | 12.24 | 18.64 | 7.22 | 93.90 | 28.24 | 160.24 |
| Depreciation expense for the year | 0.65 | 0.10 | 0.02 | 7.10 | 7.20 | 15.07 |
| Eliminated on disposal of assets | - | - | - | - | - | - |
| Balance as at Dec 31, 2024 | 12.89 | 18.74 | 7.24 | 101.00 | 35.44 | 175.31 |
| III. Net block balance (I-II) | | | | | | |
| As on Dec 31, 2024 | 2.67 | 0.41 | 0.68 | 93.36 | 23.53 | 120.64 |
| As on March 31, 2024 | 3.28 | 0.50 | 0.01 | 100.46 | 30.72 | 134.98 |
| As on March 31, 2023 | 3.15 | 0.68 | 0.04 | 105.60 | 44.68 | 154.14 |
| As on March 31, 2022 | 1.62 | 0.92 | 0.09 | 111.01 | 7.95 | 121.58 |

- (a) There are no impairment losses recognised during the period ended Dec 31, 2024 and the year ended March 31, 2024, March 31, 2023, March 31, 2022.
- (b) The Company has not revalued its property, plant and equipment as on each reporting period and therefore Schedule III disclosure requirements with respect to fair value details is not applicable.
- (c) The company has not maintained a detailed fixed asset register on an asset-wise basis as per the requirements of Companies Act 2013, however this could not include potential misstatements in the fixed asset balances or depreciation expense. Consequently, the detailed reconciliation of individual assets could not be carried out. The company is in the process of implementing a fixed asset register and conducting an asset verification process to bring it into compliance with Companies Act 2013.

13 Non Current Investments

| Particular | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| | Amount | Amount | Amount | Amount |
| Unquoted Investments (all fully paid) Investments | | | | |
| Gold Jewellery | - | 1.16 | 1.16 | 1.16 |
| Total | - | 1.16 | 1.16 | 1.16 |
| Quoted Investments (all fully paid) | | | | |
| Investments in shares (FY 24-25 - Wipro Limited - 2 No. of Shares) (FY 23-24 - Nil) (FY 22-23 - Nil) (FY 21-22 - Nil) | 0.00 | - | - | - |
| Total | 0.00 | - | - | - |
| Aggregate value of quoted Investments | 0.00490 | - | - | - |
| Aggregate market value of quoted Investments | 0.00542 | - | - | - |
| Aggregate carrying value of unquoted Investments | - | 1.16 | 1.16 | 1.16 |
| Aggregate market value of unquoted Investments | - | 2.15 | 1.88 | 1.63 |
| Aggregate provision for diminution in value of Investments | - | - | - | - |

14 Long Term Loan and Advances

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| (a) Income tax (net of advance tax) | 32.83 | - | - | - |
| (b) Advance Paid against Property | 324.30 | 324.30 | 324.30 | - |
| (c) Advances Paid against Property - related parties | 733.38 | 333.38 | 333.38 | 333.38 |
| Total | 1,090.52 | 657.68 | 657.68 | 333.38 |

15 Other Non Current assets

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| (a) Deposits | 2.99 | 2.09 | 2.09 | 2.69 |
| (b) Term deposits with banks (with original maturity of more than twelve months) | 21.99 | 51.99 | 50.03 | 100.10 |
| Total | 24.98 | 54.08 | 52.12 | 102.79 |

16 Inventories

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| At lower of cost or net realisable value | | | | |
| (a) Finished Goods | 4,352.32 | 945.69 | 1,740.74 | 1,322.94 |
| (b) Goods in Transit | 2,469.66 | 1,853.06 | 2,708.49 | 1,262.97 |
| Total | 6,821.99 | 2,798.75 | 4,449.23 | 2,585.92 |

17 Trade receivables

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| Unsecured, considered good | | | | |
| - Outstanding for A period exceeding six months | 33.22 | 28.10 | 7.00 | - |
| - Others | 5,703.83 | 3,437.42 | 4,150.22 | 3,735.23 |
| | 5,737.05 | 3,465.52 | 4,157.22 | 3,735.23 |
| Less: Allowance for doubtful debts | - | - | - | - |
| Total | 5,737.05 | 3,465.52 | 4,157.22 | 3,735.23 |

17.1 The average credit period on sales of goods is 7 to 45 days from the date of dispatch.

17.2 Considering the inherent nature of business of the Company, Customer credit risk is minimal. The Company generally does not part away with its assets unless trade receivables are fully realised. Wherever there is doubt on recovery, the Company makes adequate provision based on best estimation of recovery.

Based on prior experience and an assessment of the current economic environment, management believes there is no credit risk provision required, other than those made in the accounts, if any. Also the Company does not have any significant concentration of credit risk.

17.3 Aging of receivables

As on Dec 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|------------------|--------------|-----------|-------------------|-----------------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | |
| - considered good | 5,703.83 | 5.15 | 28.07 | - | - | 5,737.05 |
| - considered doubtful | - | - | - | - | - | - |
| Disputed | | | | | | |
| - considered good | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - |
| Total | 5,703.83 | 5.15 | 28.07 | - | - | 5,737.05 |

* There is no Unbilled Revenue

As on March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|------------------|-------------|-----------|-------------------|-----------------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | |
| - considered good | 3,437.42 | 28.04 | 0.06 | - | - | 3,465.52 |
| - considered doubtful | - | - | - | - | - | - |
| Disputed | | | | | | |
| - considered good | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - |
| Total | 3,437.42 | 28.04 | 0.06 | - | - | 3,465.52 |

* There is no Unbilled Revenue

As on March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|------------------|-----------|-----------|-------------------|-----------------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | |
| - considered good | 4,150.22 | 7.00 | - | - | - | 4,157.22 |
| - considered doubtful | - | - | - | - | - | - |
| Disputed | | | | | | |
| - considered good | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - |
| Total | 4,150.22 | 7.00 | - | - | - | 4,157.22 |

* There is no Unbilled Revenue

As on March 31, 2022

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------|--|------------------|-----------|-----------|-------------------|-----------------|
| | Less than 6 months | 6 months -1 year | 1-2 Years | 2-3 years | More than 3 years | |
| Undisputed | | | | | | |
| - considered good | 3,735.23 | - | - | - | - | 3,735.23 |
| - considered doubtful | - | - | - | - | - | - |
| Disputed | | | | | | |
| - considered good | - | - | - | - | - | - |
| - considered doubtful | - | - | - | - | - | - |
| Total | 3,735.23 | - | - | - | - | 3,735.23 |

* There is no Unbilled Revenue

18 Cash and Bank Balance

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| a. Cash and cash equivalents | | | | |
| (a) Cash on hand | 1.07 | 1.00 | 0.89 | 1.33 |
| (b) Balances with banks in current account | 557.70 | 1,102.51 | 1,432.56 | 642.20 |
| (c) Term deposits with banks (with original maturity of less than three months) | 136.75 | 2,885.25 | 2,626.00 | 3,091.25 |
| b. Bank balances other than cash and cash equivalents | | | | |
| (a) Term deposits with banks (with original maturity of more than three months but less than twelve months) | 944.69 | 2,120.95 | 2,064.01 | 1,099.67 |
| Total | 1,640.22 | 6,109.72 | 6,123.46 | 4,834.46 |

19 Short Term Loan and Advances

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| (a) Balance with Government Authorities | 635.70 | - | - | 25.69 |
| (b) Advance to Suppliers | 77.36 | 2.16 | 11.01 | 0.07 |
| (c) Prepaid Expenses | 8.71 | 6.94 | 5.11 | 4.29 |
| (d) Advances recoverable in cash or kind - others | 167.07 | 343.67 | 93.78 | 134.56 |
| (e) Deferred Share Issue Expenses | 161.19 | - | - | - |
| Total | 1,050.03 | 352.78 | 109.89 | 164.62 |

20 Other Current assets

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------|--------------------|----------------------|----------------------|----------------------|
| (a) Interest Accrued and due | 6.63 | 77.57 | 41.58 | 30.36 |
| Total | 6.63 | 77.57 | 41.58 | 30.36 |

21 Revenue from operations

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Sales (Net of Taxes, Debit Note & Credit Note) | 38,615.29 | 49,401.66 | 48,716.23 | 28,352.54 |
| Freight Charges Recovered | 14.61 | 10.71 | 10.33 | 23.82 |
| Total | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |

22 Other income

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Interest Income | | | | |
| - From bank deposits | 189.53 | 245.60 | 194.60 | 127.17 |
| - From delayed payments by customers | 10.51 | 17.83 | 20.07 | 25.28 |
| - From LC of Customer | 2.30 | 3.24 | 3.23 | - |
| | 202.33 | 266.67 | 217.90 | 152.45 |
| Other gains and losses | | | | |
| - Gain (loss) on fluctuation in foreign currency | 219.79 | 335.29 | 113.49 | 136.63 |
| | 219.79 | 335.29 | 113.49 | 136.63 |
| Other non-operating income | | | | |
| - Claims Received from Insurance Company | - | 3.90 | - | 21.96 |
| - Refund against Deposit | - | 0.25 | - | - |
| - License Discount | - | - | 50.73 | 53.35 |
| - Incentive Received | - | - | - | 10.10 |
| - Sundry Balance written back | 0.05 | 5.01 | (0.63) | 0.92 |
| - Profit on Sale of Gold Jewellery | 1.60 | - | - | - |
| - Profit on Sale of Motor Car | - | - | 0.08 | - |
| - Miscellaneous income | 0.29 | 11.28 | 0.09 | 0.70 |
| | 1.94 | 20.44 | 50.27 | 87.04 |
| Total | 424.06 | 622.40 | 381.66 | 376.12 |

23 Purchase Cost

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Purchases During the Year | 37,846.80 | 43,232.27 | 42,751.04 | 24,865.22 |
| Custom Duty | 2,498.53 | 2,838.46 | 2,208.62 | 1,101.29 |
| Rebate received on Purchases | (293.98) | (167.82) | - | - |
| Social Welfare Surcharge | 249.85 | 283.85 | 260.96 | 137.32 |
| Remission of Duty | - | - | 400.94 | 271.87 |
| Freight Charges & Insurance | 0.10 | 1.74 | 0.09 | 0.01 |
| Total | 40,301.31 | 46,188.51 | 45,621.65 | 26,375.70 |

24 Operating Cost

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Clearing & Forwarding Charges | 639.02 | 671.36 | 575.28 | 270.69 |
| Container Mover Charges | 139.70 | 155.37 | 114.05 | 84.92 |
| Loading & Unloading Charges | 35.57 | 45.23 | 36.82 | 28.58 |
| Transportation | 417.24 | 611.35 | 591.77 | 249.52 |
| Total | 1,231.53 | 1,483.31 | 1,317.92 | 633.71 |

25 Changes in inventories of finished goods/Stock in Trade

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Inventories at the beginning of the year | 945.69 | 1,740.74 | 1,322.94 | 1,745.81 |
| Inventories at the end of the year | 4,352.32 | 945.69 | 1,740.74 | 1,322.94 |
| Net (increase)/decrease | (3,406.63) | 795.05 | (417.79) | 422.86 |

Note: Goods in Transit

As of the year-end, goods in transit amounting to ₹ 2469.66 Lakhs are included in the closing balance of inventory (Note 15). However, these goods have not been reflected in the operating costs (Cost of Goods Sold) for the current period. The company intends to adjust the operating costs in the subsequent period to ensure proper matching of expenses with revenue, in line with the accrual basis of accounting.

26 Employee benefits expense

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Salaries, wages and bonus | 59.50 | 66.75 | 60.23 | 58.42 |
| Director's Remuneration & Bonus | 103.50 | 100.20 | 100.20 | 100.20 |
| Sitting Fees paid to Directors | 1.20 | 0.40 | - | 0.80 |
| Gratuity (Refer note 38) | 4.24 | 3.73 | 1.31 | 2.71 |
| Staff welfare expenses | 1.02 | 1.88 | 0.29 | 0.31 |
| Total | 169.47 | 172.96 | 162.03 | 162.44 |

27 Finance cost

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Bank Charges/Commission | 10.37 | 16.57 | 33.50 | 11.58 |
| Interest on TDS, GST, Customs and Income tax | 0.11 | 1.22 | 0.68 | 0.36 |
| Interest Expense others | - | 1.28 | 0.00 | 0.01 |
| Total | 10.48 | 19.08 | 34.18 | 11.95 |

28 Depreciation and amortisation expenses

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment | 15.07 | 20.34 | 7.23 | 10.34 |
| Total | 15.07 | 20.34 | 7.23 | 10.34 |

29 Other expenses

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Advertisement Expenses | 0.76 | 0.87 | 0.13 | 0.37 |
| Auditors Remuneration [Refer Note A(23)] | 1.88 | 1.13 | 1.15 | 1.20 |
| Bad Debt | - | - | - | 58.02 |
| Business Promotion expenses | 16.09 | 35.58 | 0.87 | 4.47 |
| Cargo Storage & Handling Charges | 64.27 | 41.93 | 12.61 | 5.08 |
| Certification Charges | 0.43 | 1.76 | 0.62 | 0.84 |
| Commission Expense | 0.23 | - | - | 2.77 |
| Communication Expenses | 1.25 | 2.22 | 1.75 | 2.04 |
| Conveyance Expenses | 1.28 | 2.56 | 2.16 | 2.19 |
| Donation & CSR Expense | 20.61 | 31.40 | 21.81 | 18.69 |
| Electricity Charges | 1.98 | 2.20 | 2.66 | 2.12 |
| Festival Expense | 2.97 | 2.28 | - | 0.50 |
| GST Reversed / Paid | 0.44 | 0.71 | 26.76 | 2.56 |
| Insurance Expenses | 21.54 | 71.21 | 64.19 | 40.15 |
| Legal & Professional Fees | 1.32 | 0.66 | 1.39 | 1.15 |
| Membership & Subscription | 0.39 | 1.03 | 9.79 | 0.27 |
| Miscellaneous Expenses | 1.04 | 0.78 | 1.23 | 7.58 |
| Motor Car Expenses | 1.73 | 2.26 | 1.69 | 2.59 |
| Office Expenses | 3.62 | 2.03 | 8.52 | 2.03 |
| Penalty for Late filing | 1.08 | 0.76 | 0.40 | 0.08 |
| Printing & stationary | 0.83 | 2.20 | 1.83 | 0.96 |
| Professional and Legal Fees | 1.56 | 2.55 | 1.51 | 1.94 |
| Rates & Taxes | 2.99 | 2.99 | 3.24 | 3.21 |
| Registration Charges | 0.16 | - | - | - |
| Rent | 24.30 | 29.04 | 29.04 | 29.04 |
| Repair & Maintenance Expenses - Others | 3.33 | 4.86 | 5.27 | 21.67 |
| Software & IT related Expenses | 1.90 | 2.62 | 2.69 | 1.55 |
| Trade Discount | 1.25 | 10.65 | 63.10 | 3.56 |
| Travelling & Conveyance Expenses | 1.44 | 33.58 | 31.72 | 8.50 |
| Website Charges | 0.29 | - | - | - |
| Total | 180.95 | 289.82 | 296.12 | 225.15 |

29.1 Auditors remuneration and out-of-pocket expenses (net of GST):

| | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| (i) For audit | 1.88 | 1.13 | 1.15 | 1.20 |
| (ii) For taxation matters | - | - | - | - |
| (iii) For other services | - | - | - | - |
| Total | 1.88 | 1.13 | 1.15 | 1.20 |

29.2 Expenses on corporate social responsibility

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|---|---|---|---|
| Amount Required to be spend by the company during the year | 20.61 | 31.25 | 21.77 | 18.69 |
| Amount of Expenditure incurred | 19.16 | 31.25 | 21.77 | 18.69 |
| Shortfall at the end of the year | 31.56 | 33.01 | 22.47 | 34.55 |
| Total of previous year shortfall | 12.40 | 1.76 | 0.70 | 15.86 |
| Reason for Shortfall | The Company will spend the required amount before March 31, 2025. | Inadvertently missed | Inadvertently missed | Inadvertently missed |
| Nature of CSR Activities | Donated to Eligible Trust for the activities specified under schedule VII of Companies Act, 2013. | Donated to Eligible Trust for the activities specified under schedule VII of Companies Act, 2013. | Donated to Eligible Trust for the activities specified under schedule VII of Companies Act, 2013. | Donated to Eligible Trust for the activities specified under schedule VII of Companies Act, 2013. |
| Details of related party transactions, e.g. contribution to trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NIL | NIL | NIL | NIL |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | Yes | Yes | Yes | Yes |
| Excess amount Spent as per Section 135(5) | - | - | - | - |
| Carry Forward | - | - | - | - |

Movement of CSR Provision

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|----------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Opening Provision for the year | 33.01 | 22.47 | 34.55 | 20.24 |
| Add: Provision for the year | 19.16 | 31.25 | 21.77 | 18.69 |
| Less: Paid during the year | (20.61) | (20.71) | (33.85) | (4.38) |
| Shortfall at the end of the year | 31.56 | 33.01 | 22.47 | 34.55 |

30 Current Tax and Deferred Tax**Income Tax Expense recognised in statement of profit and loss**

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Current Tax: | | | | |
| Current income tax charge | 146.49 | 278.79 | 529.86 | 234.31 |
| Short provision of tax relating to earlier years | - | - | - | - |
| | 146.49 | 278.79 | 529.86 | 234.31 |
| Deferred Tax expense/ (credit) | | | | |
| In respect of current period | (3.08) | (2.20) | 1.05 | (0.12) |
| | (3.08) | (2.20) | 1.05 | (0.12) |
| Total tax expense/(credit) recognised in statement of profit and loss | 143.41 | 276.59 | 530.91 | 234.20 |

31 Restated Earning per share

The following reflects the profit and share data used in the basic and diluted EPS calculations:

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For year ended March 31, 2022 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------|
| Profit after Tax (a) | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Present Number of equity shares | 5,286,003 | 5,286,003 | 5,286,003 | 5,286,003 |
| Number of equity share (Post Bonus) | 15,858,009 | 15,858,009 | 15,858,009 | 15,858,009 |
| Weighted average number of Equity shares(Pre Bonus) (b) | 5,286,003 | 5,286,003 | 5,286,003 | 5,286,003 |
| Weighted average number of Equity shares(Post Bonus) (c) | 15,858,009 | 15,858,009 | 15,858,009 | 15,858,009 |
| Par value per share (₹) | 10 | 10 | 10 | 10 |
| Basic earnings per share(Pre Bonus) (a/b) | 7.73 | 14.93 | 29.44 | 12.79 |
| Diluted Earning per Share(Pre Bonus) (a/b) | 7.73 | 14.93 | 29.44 | 12.79 |
| Basic earnings per share(Post Bonus) (a/c) | 2.58 | 4.98 | 9.81 | 4.26 |
| Diluted Earning per Share(Post Bonus) (a/c) | 2.58 | 4.98 | 9.81 | 4.26 |

* Retrospective adjustment for Bonus Share in Comparative figures as per AS 20 Earning per share.

Bonus shares issued after balance sheet date:

On January 30, 2025 company has issued 1,05,72,006 number of bonus shares. The details of the issue is as follows -

| Share holder Name | Bonus Shares |
|--------------------------|-------------------|
| Mukesh Natverlal Thakkar | 2,816,000 |
| Purnima Mukesh Thakkar | 6,056,000 |
| Bhavik Mukesh Thakkar | 1,651,000 |
| Umesh N Thakkar | 49,000 |
| Dhwani M Tanna | 2 |
| Neha B Thakkar | 2 |
| Vidhi U Thakkar | 2 |
| Total | 10,572,006 |

32 Segment information

For management purposes, the Company is into one reportable segment i.e. Wholesale Trading Business

The Managing Director is the Chief Operating Decision Maker of the Company who monitors the operating results of the Company for the purpose of making decisions about resource allocation and performance assessment. The Company's performance as single segment is evaluated and measured consistently with profit or loss in the financial statements. Also, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis

32.1 Geographical information

The Company operates in one geographical environment only i.e. in India.

The Company's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

| Particulars | Revenue from External Customers | | | |
|---------------|-----------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Within India | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| Outside India | - | - | - | - |
| Total | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |

| Particulars | Non-current Assets | | | |
|---------------|-----------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For year ended March 31, 2023 | For year ended March 31, 2022 |
| Within India | 1,236.14 | 847.90 | 865.10 | 558.92 |
| Outside India | - | - | - | - |
| Total | 1,236.14 | 847.90 | 865.10 | 558.92 |

32.2 Information about major customers

No single customer contributed 10% or more to the Company's revenue for nine months ended December 31, 2024 and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022.

32.3 The reporting segment includes a number of sales operations in various cities within India each of which is considered as a separate operating segment by the CODM. For financial statements presentation purposes, these individual operating segments have been aggregated into a single reportable operating segment taking into account the following factors:

- these operating segments have similar long-term gross profit margins;
- the nature of the products and production processes are similar; and
- the methods used to distribute the products to the customers are the same.

33 Employee benefit plans**(A) Principal actuarial assumptions used:**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

| Particulars | Gratuity (Unfunded) | | | |
|--------------------------------|---|----------------------|----------------------|----------------------|
| | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
| 1. Discount rate - Company | 7.00% | 7.25% | 7.25% | 7.25% |
| 2. Salary escalation - Company | 7.25% | 7.25% | 7.25% | 7.25% |
| 3. Mortality rate | Indian Assured Lives Mortality (2012-14) Ult. | | | |

(B) Expenses recognised in profit and loss

| Particulars | Gratuity (Unfunded) | | | |
|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| Service cost: | | | | |
| Current service cost | 1.51 | 1.69 | 1.52 | 1.54 |
| Net Interest cost | 1.08 | 1.21 | 1.11 | 1.00 |
| Actuarial (gains)/losses on obligation for the year | | | | |
| - Due to changes in demographic assumptions | - | - | - | - |
| - Due to changes in financial assumptions | - | - | - | - |
| - Due to experience adjustment | 1.66 | 0.83 | (1.32) | 0.16 |
| Components of defined benefit cost recognised in profit or loss | 4.24 | 3.73 | 1.31 | 2.71 |

The current service cost and the net interest expenses for the year are included in the 'Employee benefits expenses' line item in the Statement of profit and loss.

(C) Net interest cost recognised in profit or loss:

| Particulars | Gratuity (Unfunded) | | | |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| Interest cost | 1.08 | 1.21 | 1.11 | 1.00 |
| Interest income | - | - | - | - |
| Net interest cost recognised in profit or loss | 1.08 | 1.21 | 1.11 | 1.00 |

(D) Amount recognised in the balance sheet

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| Present value of defined benefit obligation as at the end of the year | 24.02 | 19.78 | 16.69 | 15.37 |
| Fair value of plan assets | - | - | - | - |
| | 24.02 | 19.78 | 16.69 | 15.37 |

(E) Net asset/(liability) recognised in the balance sheet

| Recognised under: | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|----------------------|--------------------|----------------------|----------------------|----------------------|
| Long term provision | 20.86 | 17.09 | 15.16 | 13.42 |
| Short term provision | 3.16 | 2.69 | 1.53 | 1.95 |
| Total | 24.02 | 19.78 | 16.69 | 15.37 |

(F) Movements in the present value of defined benefit obligation are as follows:

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| Opening defined benefit obligation | 19.78 | 16.69 | 15.37 | 13.80 |
| Current service cost | 1.51 | 1.69 | 1.52 | 1.54 |
| Interest cost | 1.08 | 1.21 | 1.11 | 1.00 |
| Actuarial losses / (Gain) | 1.66 | 0.83 | (1.32) | 0.16 |
| Benefits paid from the fund | - | (0.64) | - | (1.14) |
| Closing defined benefit obligation | 24.02 | 19.78 | 16.69 | 15.37 |

34 Related party disclosures

34.1 Details of related parties

| Description of relationship | Name of the related party |
|---|---|
| Key management personnel/ Non-Independent Director - Chairman cum Wholetime Director - Managing Director - Executive Director - Company Secretary w.e.f. 01.04.2024 - CFO w.e.f. 15.02.2025 | Mukesh Natverlal Thakkar Bhavik Mukesh Thakkar Purnima Mukesh Thakkar Nikhil D Bhatt Anish Shah |
| Relatives of key management personnel (where transactions have taken place) | Mukesh Natverlal Thakkar (HUF) |
| Enterprises over which key management personnel is able to exercise significant influence (where transactions have taken place) | Griffon Securities Pvt. Ltd. |
| Subsidiary Firms | - |
| Associates Firms / LLP | - |

34.2 Transactions during the year with related parties

| S. No. | Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| A | Key management personnel/ Non-Independent Director | | | | |
| I | Mukesh Natverlal Thakkar | | | | |
| | Managerial Remuneration | 36.00 | 42.00 | 42.00 | 42.00 |
| | Rent paid | 5.40 | 7.20 | 7.20 | 7.20 |
| II | Bhavik Mukesh Thakkar | | | | |
| | Managerial Remuneration | 36.00 | 39.00 | 39.00 | 39.00 |
| | Rent paid | 6.75 | 7.56 | 7.56 | 7.56 |
| III | Purnima Mukesh Thakkar | | | | |
| | Managerial Remuneration | 31.50 | 19.20 | 19.20 | 19.20 |
| | Rent paid | 1.58 | 2.10 | 2.10 | 2.10 |
| IV | CS Nikhil D Bhatt | | | | |
| | Managerial Remuneration | 2.70 | - | - | - |
| B | Relatives of Key Management Personnel | | | | |
| I | Mukesh Natverlal Thakkar (HUF) | | | | |
| | Rent paid | 5.18 | 5.88 | 5.88 | 5.88 |
| C | Enterprises over which key management personnel is able to exercise significant influence* | | | | |
| I | Griffon Securities Pvt. Ltd. | | | | |
| | Advance against Property* | 400.00 | - | - | - |
| | Rent Paid | 5.40 | 6.30 | 6.30 | 6.30 |

* The Company has given interest free advance to Griffon Securities Pvt. Ltd., as a consideration against 3 properties (Registration agreement under process).

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. All the related party transactions are reviewed and approved by board of directors.

34.3 Amounts outstanding with related parties

| S. No. | Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------|---|--------------------|----------------------|----------------------|----------------------|
| A | Key management personnel/ Non-Independent Director | | | | |
| I | Mukesh Natverlal Thakkar | | | | |
| | Rent Payable | - | - | - | - |
| | Managerial Remuneration Payable | - | - | - | - |
| II | Bhavik Mukesh Thakkar | | | | |
| | Rent Payable | - | - | - | - |
| | Managerial Remuneration Payable | - | - | - | - |
| III | Purnima Mukesh Thakkar | | | | |
| | Rent Payable | - | - | - | - |
| | Managerial Remuneration Payable | - | - | - | - |
| IV | CS Nikhil D Bhatt | | | | |
| | Managerial Remuneration Payable | - | - | - | - |
| B | Relatives of Key Management Personnel | | | | |
| I | Mukesh Natverlal Thakkar (HUF) | | | | |
| | Rent Payable | - | - | - | - |
| C | Enterprises over which key management personnel is able to exercise significant influence* | | | | |
| I | Griffon Securities Pvt. Ltd. | | | | |
| | Advances against Property | 733.38 | 333.38 | 333.38 | 333.38 |
| | Rent Payable | - | - | - | - |

Bhavik Enterprises Limited**Notes to the Restated Financial Statements**

All amounts are ₹ in Lakhs unless otherwise stated

35 Additional Notes forming part of Restated Financial Statement

35.1 Contingent Liabilities

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---|--------------------|----------------------|----------------------|----------------------|
| I. Contingent Liabilities | | | | |
| (a) Claims against the company not acknowledged as debt * | 370.31 | - | - | - |
| (b) Guarantees; | - | - | - | - |
| (c) Other money for which the company is contingently liable (Forward Contract) | 295.93 | - | 582.63 | - |
| II. Commitments | | | | |
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for; | - | - | - | - |
| (b) Uncalled liability on shares and other investments partly paid | - | - | - | - |
| (c) Other commitments (Capital Commitment).** | 513.64 | 913.64 | 913.64 | 400 |

*The following contingent liabilities have not been provided for in the books of accounts, as they are dependent on future events:

| Particulars | Amount (₹) | Status |
|---|-------------------|---|
| a) Income Tax demand for A.Y. 2020-21 pursuant to assessment order passed u/s 147 r.w.s. 144B of the Income Tax Act, 1961 dated March 06, 2025 (Order No. ITBA/AST/S/147/2024-25/1074122859(1)) making additions of ₹4,00,41,462/- to returned income | ₹3,70,31,440/- | Appeal filed on March 27, 2025 vide Acknowledgement No. 916874910270325 and is currently pending before the Joint Commissioner (Appeals) / Commissioner of Income Tax (Appeals) |
| b) Penalty proceedings initiated u/s 274 r.w.s. 270A of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/270A/2024-25/1074122936(1)) | Not ascertainable | Proceedings pending as on date |
| c) Penalty proceedings initiated u/s 274 r.w.s. 271AAC(1) of the Income Tax Act, 1961 (Notice No. ITBA/PNL/S/271AAC(1)/2024-25/1074122938(1)) | Not ascertainable | Proceedings pending as on date |

Note: The outcome of the above matters is pending at the relevant authorities. The management, based on legal advice, believes that the final outcome is not likely to result in any material liability and hence, no provision has been made in accounts.

** Residential Flat part payment done on initial booking in FY 22-23, rest amount to be paid at the time of possession tentative year 2028.

35.2 Value of imports calculated on C.I.F basis by the company during the financial year in respect of –

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|---------------------------------|--------------------|----------------------|----------------------|----------------------|
| I. Raw materials; | - | - | - | - |
| II. Components and spare parts; | - | - | - | - |
| III. Capital goods; | - | - | - | - |

35.3 Earnings in Foreign Currency

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|----------------------|----------------------|----------------------|
| Export of goods calculated on F.O.B. basis; | - | - | - | - |
| Royalty, know-how, professional and consultation fees; | - | - | - | - |
| Interest and dividend; | - | - | - | - |
| Other income, Rebate on Contract-Basell | 293.98 | 167.82 | - | - |

35.4 Expenditure in foreign currency –

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|--------------------|----------------------|----------------------|----------------------|
| Royalty | - | - | - | - |
| Know-How | - | - | - | - |
| professional and consultation fees | - | - | - | - |
| Interest | - | - | - | - |
| other matters (Import purchases) | 37,700.07 | 43,060.20 | 42,126.77 | 24,097.44 |

36 Other Statutory Information

36.1 Title deeds of immovable Property not held in name of the Company

| Relevant line items in the Balance sheets | Descriptions of Item of property | Gross carrying Value | Title deeds held in the name of | Whether title deed holder is a promotor, director or relative of Promotor' director or employee of promotors/ director | Property held since which date | Reason for not being held in the name of company |
|---|----------------------------------|----------------------|---|--|--------------------------------|--|
| Property, Plant and Equipment | Godown | 2.52 | Bhavik Enterprises (Partnership Firm now converted into Bhavik Enterprises Limited) | Promoters were partners in Bhavik Enterprises (Partnership Firm now converted into Bhavik Enterprises Limited) | 28/07/2004 | Change of name with the Registrar of the Property is pending |

36.2 The Company has not revalued its Property, Plant and Equipment, during the period covered under RFS.

36.3 The Company has granted loans and advances in the nature of loans are granted to promoters, Directors, KMP's and the related parties (as defined under Companies Act, 2013), either Severally or Jointly with any other person, that are

- Repayable on demand or
- without specifying any terms or period of repayment

| Type of Borrower | As at Dec 31, 2024 | | As at March 31, 2024 | |
|--------------------|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans |
| a. Promoters | | | | |
| b. Directors | | | | |
| c. KMP's | | | | |
| d. Related Parties | 733.38 | 100% | 333.38 | 100% |

| Type of Borrower | As at March 31, 2023 | | As at March 31, 2022 | |
|--------------------|---|---|---|---|
| | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans | Amount of loan or advance in the nature of loan outstanding | Percentage to the total loans and advances in the nature of loans |
| a. Promoters | | | | |
| b. Directors | | | | |
| c. KMP's | | | | |
| d. Related Parties | 333.38 | 100% | 333.38 | 100% |

36.4 The Company does not have any Capital work-in-progress.

36.5 The Company does not have any Intangible assets under development.

36.6 The Company does not own benami properties. Further, there are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

36.7 The Company does not have borrowings from Bank or Financial Institutions.

36.8 There are no bank or financial institution or other lender declared to Company a wilful defaulter during the period covered under RFS.

36.9 Relationship with struck-off companies

The Company does not have any transactions with companies struck- off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

36.10 The Company has not made any delay in Registration of Charges under the Companies Act, 2013.

36.11 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

36.12 There were no Scheme of Arrangements entered by the Company during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

Bhavik Enterprises Limited

Notes to the Restated Financial Statements

All amounts are ₹ in Lakhs unless otherwise stated

36.13 Undisclosed Income

The Company has no such transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

36.14 The Company has not traded or invested in Crypto currency or Virtual Currency during each reporting period.

36.15 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

36.16 Code of Social Security, 2020

The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

36.17 Utilization of Borrowed funds

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

36.18 In the opinion of the Board of Directors of the Company, all items of 'Current assets, loans and advances' continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet, unless otherwise stated.

36.19 The figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

36.20 The Company is neither a Subsidiary nor Holding company of any other Company / Companies.

36.21 All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs or decimals thereof as per the requirement of Schedule III, unless otherwise stated.

36.22 Information pursuant to Division I of Revised Schedule III of the Companies Act, 2014 are given to the extent they are applicable to the Company.

Bhavik Enterprises Limited
Notes to the Restated Financial Statements
All amounts are ₹ in Lakhs unless otherwise stated

37 Ratio Analysis and its elements

Where any one or both the components of ratios are extracted from statement of profit and loss, the ratios are provided for period ended Dec 31, 2024, for the year ended March 31, 2024 and March 31, 2023. However, where both the components of ratio are extracted from the Balance sheet, the ratios are provided for all the periods (i.e., as at Dec 31, 2024, March 31, 2024, March 31, 2023 and March 31, 2022).

a) Current Ratio = Current assets divided by Current liabilities

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|--------------------|----------------------|----------------------|----------------------|
| Current assets | 15,255.92 | 12,804.32 | 14,881.38 | 11,350.59 |
| Current liabilities | 6,829.19 | 4,398.44 | 7,281.54 | 5,003.32 |
| Ratio (In times) | 2.23 | 2.91 | 2.04 | 2.27 |
| % Change from previous year | -23.37% | 42.65% | -10.13% | 6.57% |

Reason for change more than 25%:

Due to decrease in Inventory of Finish Goods and Goods in Transit results in decrease in TR as on 31st March 2024.

b) Return on Equity Ratio = Net profit after tax divided by average equity

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Net profit after tax | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Total equity* | 9,437.79 | 8,839.04 | 7,666.49 | 6,550.43 |
| Ratio (%) | 4.33% | 8.93% | 20.30% | 10.32% |
| % Change from previous year | -51.53% | -56.01% | 96.62% | |

*Average equity represents the average of opening and closing total equity.

Reason for change more than 25%:

As on Dec-24 - Since, Comparative period is full financial year, hence not comparable.
FY 23-24 Due to drop in Prices in Q4 of FY 23-24 (approx 25% fluctuation in international market)
FY 22-23 Due to sudden increase in demand Sales prices increased proportionately.

c) Inventory Turnover Ratio = Cost of materials consumed divided by average inventory

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Cost of materials consumed | 36,894.68 | 46,983.55 | 45,203.86 | 26,798.56 |
| Average Inventory | 4,810.37 | 3,623.99 | 3,517.58 | 2,713.02 |
| Ratio (In times) | 7.67 | 12.96 | 12.85 | 9.88 |
| % Change from previous year | -40.84% | 0.89% | 30.10% | |

Reason for change more than 25%:

As on Dec-24 - Since, Comparative period is full financial year, hence not comparable.
FY 22-23 Due to increase in sudden demand, Turnover and Inventory increased.

d) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Sales | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| Average Trade Receivables # | 4,601.28 | 3,811.37 | 3,946.23 | 3,371.34 |
| Ratio (In times) | 8.40 | 12.96 | 12.35 | 8.42 |
| % Change from previous year | -35.24% | 5.00% | 46.70% | |

Reason for change more than 25%:

As on Dec-24 - Since, Comparative period is full financial year, hence not comparable.
FY 22-23 Due to increase in sudden demand, Turnover and Receivables balance increased proportionately

e) Trade payables turnover ratio = Credit purchases divided by average trade payables

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Contract Cost | 40,301.31 | 46,188.51 | 45,621.65 | 26,375.70 |
| Average Trade Payables | 2,709.79 | 2,778.75 | 2,959.27 | 2,358.17 |
| Ratio (In times) | 14.87 | 16.62 | 15.42 | 11.18 |
| % Change from previous year | -11.76% | 7.25% | 27.45% | |

Reason for change more than 25%:

FY 22-23 Due to increase in sudden demand, Turnover corresponding purchases and Trade payables increased proportionately

f) Net Capital Turnover Ratio = Sales divided by Net Working capital

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Sales (A) | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| Current Assets (B) | 15,255.92 | 12,804.32 | 14,881.38 | 11,350.59 |
| Current Liabilities (C) | 6,829.19 | 4,398.44 | 7,281.54 | 5,003.32 |
| Net Working Capital (D = B - C) | 8,426.73 | 8,405.89 | 7,599.84 | 6,347.26 |
| Avg Working Capital | 8,416.31 | 8,002.86 | 6,973.55 | 6,003.79 |
| Ratio (In times) (E = A / D) | 4.59 | 6.17 | 6.99 | 4.73 |
| % Change from previous year | -25.66% | -11.64% | 47.84% | |

Reason for change more than 25%:

As on Dec-24 - Since, Comparative period is full financial year, hence not comparable.
FY 22-23 Due to increase in sudden demand, Turnover Increased.

Bhavik Enterprises Limited
Notes to the Restated Financial Statements

All amounts are ₹ in Lakhs unless otherwise stated

g) Net profit ratio = Net profit before tax divided by Sales

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|
| Net profit before tax | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Sales | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| Ratio (%) | 1.43% | 2.16% | 4.28% | 3.21% |
| % Change from previous year | -33.77% | -49.64% | 33.50% | |

Reason for change more than 25%:

As on Dec-24 - Since, Comparative period is full financial year, hence not comparable.

FY 23-24 Due to correction in rates in international Market profits get drop.

FY 22-23 Due to increase in sudden demand, Turnover Increased and corresponding Prices increased

h) Return on Capital employed (pre-tax) = Earnings before interest and taxes (EBIT) divided by average Capital Employed

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|------------------------------------|--------------------------------------|---|--------------------------------------|--------------------------------------|
| Profit before tax (A) | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Add : Interest (B) | - | 1.28 | 0.00 | 0.01 |
| EBIT (C) = (A) + (B) | 551.80 | 1,066.98 | 2,086.89 | 910.35 |
| Tangible Net Worth | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Total Debt | - | - | - | - |
| deferred Tax Liability | 0.02 | 3.10 | 5.30 | 4.25 |
| Capital Employed | 9,642.01 | 9,236.69 | 8,449.78 | 6,892.76 |
| Ratio (In %) | 5.72% | 11.55% | 24.70% | 13.21% |
| % Change from previous year | -50.46% | -53.23% | 87.00% | |

Reason for change more than 25%:

FY 23-24 Due to correction in rates in international Market profits get drop.

FY 22-23 Due to increase in sudden demand, Turnover Increased and corresponding Prices increased

i) Debt Equity ratio = Total debts divided by Total Equity

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|--------------------|-------------------------|-------------------------|-------------------------|
| Total Debts | - | - | - | - |
| Shareholder's funds | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Ratio (In %) | - | - | - | - |
| % Change from previous year | NA | NA | NA | NA |

j) Debt service coverage ratio= Earnings available for debt services dividend by total interest and principal repayments.

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|--------------------|-------------------------|-------------------------|-------------------------|
| Profit after tax (A) | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Add: Non cash operating expenses and finance cost | | | | |
| -Depreciation and amortisation (B) | 15.07 | 20.34 | 7.23 | 10.34 |
| -Finance cost (C) | - | - | - | - |
| Total Non-cash operating expenses and finance cost (Pre-tax) (D= B+C) | 15.07 | 20.34 | 7.23 | 10.34 |
| Total Non-cash operating expenses and finance cost (Post-tax) (E = D (1-Tax rate)) | 11.27 | 15.22 | 5.41 | 7.74 |
| Earnings available for debt services (F = A+E) | 419.67 | 804.34 | 1,561.38 | 683.88 |
| Debt service | | | | |
| Interest (G) | - | - | - | - |
| Total Interest and principal repayments (J = G + H + I) | - | - | - | - |
| Ratio (In times) (J = F/ I) | NA | NA | NA | NA |
| % Change from previous year | | NA | NA | |

k) Return on Investments

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|------------------------------------|--------------------|-------------------------|-------------------------|-------------------------|
| Net Profit | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Investment | - | - | - | - |
| Ratio (In %) | NA | NA | NA | NA |
| % Change from previous year | | NA | NA | |

Bhavik Enterprises Limited
Notes to the Restated Financial Statements
All amounts are ₹ in Lakhs unless otherwise stated

38 Details of Accounting Ratios as Restated

| Particulars | As at Dec 31, 2024 | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2022 |
|--|-----------------------|-------------------------|-------------------------|-------------------------|
| Net Worth (A) | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Profit Before Tax | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Add: Finance Cost | 10.48 | 19.08 | 34.18 | 11.95 |
| Add: Depreciation and Amortisation | 15.07 | 20.34 | 7.23 | 10.34 |
| Less: Other Income | (424.06) | (622.40) | (381.66) | (376.12) |
| Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) | 153.28 | 482.72 | 1,746.64 | 556.51 |
| Restated Profit after tax | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Add: Prior Period Item | - | - | - | - |
| Adjusted Profit after Tax(B) | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Number of Equity Share outstanding as on the End of Year/Period (C) | 5,286,003 | 5,286,003 | 5,286,003 | 5,286,003 |
| Weighted average no of Equity shares as on the end of the period year(D) | | | | |
| -Pre Bonus (D(i)) | 5,286,003 | 5,286,003 | 5,286,003 | 5,286,003 |
| -Post Bonus (D(ii)) | 15,858,009 | 15,858,009 | 15,858,009 | 15,858,009 |
| Restated Basic & Diluted Earnings Per Share (In Rs.) (B/D) | | | | |
| - Pre Bonus (B/D(i)) - Basic | 7.73 | 14.93 | 29.44 | 12.79 |
| - Pre Bonus (B/D(i)) - Diluted | 7.73 | 14.93 | 29.44 | 12.79 |
| - Post Bonus (B/D(ii)) - Basic | 2.58 | 4.98 | 9.81 | 4.26 |
| - Post Bonus (B/D(ii)) - Diluted | 2.58 | 4.98 | 9.81 | 4.26 |
| Return on Net worth (%) (B/A) | 4.24% | 8.55% | 18.43% | 9.82% |
| Net asset value per share (A/D(i)) (Pre Bonus) (In Rs.) | 182.41 | 174.68 | 159.75 | 130.32 |
| Net asset value per share (A/D(ii)) (Post Bonus) (In Rs.) | 60.80 | 58.23 | 53.25 | 43.44 |

Notes:-

1. The ratios have been Computed as per the following formulas

(i) Basic Earnings per Share

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Weighted average number of equity shares outstanding at the end of the year / period}}$$

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

$$\frac{\text{Restated Net Worth of Equity Share Holders}}{\text{Number of equity shares outstanding at the end of the year / period}}$$

(iii) Return on Net worth (%)

$$\frac{\text{Restated Profit after Tax available to equity shareholders}}{\text{Restated Net Worth of Equity Share Holders}}$$

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.

Bhavik Enterprises Limited**Notes to the Restated Financial Statements**

All amounts are ₹ in Lakhs unless otherwise stated

39 STATEMENT OF CAPITALISATION

| Particulars | Pre-Offer | Post-Offer |
|--|-----------|------------|
| Debt | | |
| - Short Term Debt | - | - |
| - Long Term Debt | - | - |
| Total Debt | - | - |
| Shareholders' Fund (Equity) | | |
| - Share Capital | 528.60 | - |
| - Reserves & Surplus | 9,113.39 | - |
| - Less: Miscellaneous Expenses not W/off | - | - |
| Total Shareholders' Fund (Equity) | 9,641.99 | |
| Long Term Debt / Equity (In Ratio) | - | - |
| Total Debt / Equity (In Ratio) | - | - |

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 other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at December 31, 2024.
4. The post issue capitalization will be determined only after the completion of the allotment of Equity Shares.

Bhavik Enterprises Limited
Notes to the Restated Financial Statements
All amounts are ₹ in Lakhs unless otherwise stated

40. Statement of Tax Shelters

| Particulars | For the period ended Dec 31, 2024 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Profit before tax as per Books (A) | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Income Tax Rate* (%) | 25.168% | 25.168% | 25.168% | 25.168% |
| MAT Rate* (%) | N.A. | N.A. | N.A. | N.A. |
| Tax at notional rate on profits | 138.88 | 268.22 | 525.23 | 229.11 |
| Adjustments | | | | |
| Permanent Differences (B) | | | | |
| <i>Expenses disallowed under Income Tax Act, 1961</i> | | | | |
| - Fines & Penalty | - | - | - | - |
| - Donation & CSR | 20.61 | 31.40 | 21.81 | 18.69 |
| - Interest on TDS, GST, Customs and Income tax | 0.11 | 1.22 | 0.68 | 0.36 |
| - Interest on MSME Creditors | - | - | - | - |
| Disallowance under section 36 | | | | |
| - EPF & ESI Employee Share | | | | |
| Total Permanent Differences (B) | 20.72 | 32.62 | 22.48 | 19.05 |
| Income considered separately (C) | | | | |
| Interest Income | - | - | - | - |
| Interest on Income Tax Refund | - | - | - | - |
| Total Income considered separately (C) | - | - | - | - |
| Timing Differences (D) | | | | |
| Depreciation as per Companies Act, 2013 | 15.07 | 20.34 | 7.23 | 10.34 |
| Depreciation as per Income Tax Act, 1961 | (9.78) | (14.67) | (12.65) | (11.44) |
| Profit on Sale of Fixed Asset | - | - | (0.08) | - |
| Taxes allowable under section 43B, No per clause 26(A)(a) | - | - | 0.11 | 0.00 |
| Gratuity | 4.24 | 3.73 | 1.31 | 2.71 |
| Total Timing Differences (D) | 9.53 | 9.40 | (4.08) | 1.61 |
| Net Adjustments E = (B+C+D) | 30.25 | 42.02 | 18.40 | 20.66 |
| Tax Expense/ (Saving) thereon | 7.61 | 10.58 | 4.63 | 5.20 |
| Income from Other Sources (F) | - | - | - | - |
| Set-off from Brought Forward Losses (G) | - | - | - | - |
| Taxable Income/(loss) as per Income Tax (A+E+F+G) | 582.05 | 1,107.72 | 2,105.29 | 931.00 |
| Set-off from Brought Forward Losses for MAT (H) | - | - | - | - |
| Taxable Income/(Loss) as per MAT (A+H) | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Income Tax as returned/computed | 146.49 | 278.79 | 529.86 | 234.31 |
| Tax paid as per Normal or MAT | Normal | Normal | Normal | Normal |

*The Company has opted for Income tax rates specified under section 115BAA of Income Tax Act, 1961.

OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations, as derived from the Restated Financial Statements, are given below:

(₹ in lakhs)

| Particulars | Amount Dec-24 | Amount FY 23-24 | Amount FY 22-23 | Amount FY 21-22 |
|--|---------------|-----------------|-----------------|-----------------|
| Net Worth (A) | 9,641.99 | 9,233.60 | 8,444.48 | 6,888.51 |
| Profit Before Tax | 551.80 | 1,065.70 | 2,086.89 | 910.34 |
| Add: Finance Cost | 10.48 | 19.08 | 34.18 | 11.95 |
| Add: Depreciation and Amortisation | 15.07 | 20.34 | 7.23 | 10.34 |
| Less: Other Income | (424.06) | (622.40) | (381.66) | (376.12) |
| Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) | 153.28 | 482.72 | 1,746.64 | 556.51 |
| Restated Profit after tax | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Add: Prior Period Item | - | - | - | - |
| Adjusted Profit after Tax(B) | 408.39 | 789.12 | 1,555.97 | 676.14 |
| Number of Equity Share outstanding as on the End of Year/Period (C) | 52,86,003 | 52,86,003 | 52,86,003 | 52,86,003 |
| Weighted average no of Equity shares as on the end of the period year(D) | | | | |
| -Pre Bonus (D(i)) | 52,86,003 | 52,86,003 | 52,86,003 | 52,86,003 |
| -Post Bonus (D(i)) | 1,58,58,009 | 1,58,58,009 | 1,58,58,009 | 1,58,58,009 |
| Restated Basic & Diluted Earnings Per Share (In ₹) (B/D) | | | | |
| - Pre Bonus (B/D(i)) – Basic | 7.73 | 14.93 | 29.44 | 12.79 |
| - Pre Bonus (B/D(i)) – Diluted | 7.73 | 14.93 | 29.44 | 12.79 |
| - Post Bonus (B/D(ii)) – Basic | 2.58 | 4.98 | 9.81 | 4.26 |
| - Post Bonus (B/D(ii)) – Diluted | 2.58 | 4.98 | 9.81 | 4.26 |
| Return on Net worth (%) (B/A) | 4.24% | 8.55% | 18.43% | 9.82% |
| Net asset value per share (A/D(i)) (Pre Bonus) (In ₹) | 182.41 | 174.68 | 159.75 | 130.32 |
| Net asset value per share (A/D(ii)) (Post Bonus) (In ₹) | 60.80 | 58.23 | 53.25 | 43.44 |

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.

CAPITALISATION STATEMENT

NOTE- 39: STATEMENT OF CAPITALISATION

(₹ In Lakhs)

| Particulars | Pre-Offer | Post-Offer* |
|--|------------------|--------------------|
| Debts | | |
| - Short Term Debt | - | * |
| - Long Term Debt | - | * |
| Total Debt | - | * |
| Shareholders' Fund (Equity) | | |
| - Share Capital | 528.60 | * |
| - Reserves & Surplus | 9,113.39 | * |
| - Less: Miscellaneous Expenses not W/off | - | * |
| Total Shareholders' Fund (Equity) | 9,641.99 | * |
| Long Term Debt / Equity (In Ratio) | - | * |
| Total Debt / Equity (In Ratio) | - | * |

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 Debt as defined above but include installments of Term Loans repayable within 12 months grouped under other current liabilities.
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at December 31, 2024.

*The post offer capitalization will be determined only after the completion of the allotment of Equity Shares.

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

The following discussion and analysis of our financial condition and results of operations for the Financial Years 2024, 2023 and 2022 and for the period ended December 31, 2024, is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 192 of this Draft Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our restated financial statements are prepared in accordance with applicable accounting standards.

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Prospectus. You should also read the section titled "Risk Factors" beginning on page 28 of this Draft Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Bhavik Enterprises Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the Financial Years 2024, 2023 and 2022 included in this Draft Prospectus beginning on page 192.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward Looking Statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in government regulations, tax laws and other statutes and incidental factors.

OVERVIEW

Incorporated on September 15, 2008, we are engaged in trading of polymers primarily in Polyethylene (PE) and Polypropylene (PP) which has a wider usage and application in various industries such as packaging, infrastructure, agriculture and many more. We provide a broad range of products to our customers which increases the scope of our customers and our ability to cater to a diversified clientele base. Our comprehensive product portfolio under Polyethylene (PE) includes LLDPE, LDPE, HDPE and MLLDPE. Under Polypropylene (PP), our product portfolio consists of Homo polymer, Impact Co-polymer and Random Co-polymer. Our company's business model emphasizes "Stock & Sale" catering to small, medium and large customers as per their requirement. We are presently engaged in the domestic B2B trading of polymer, wherein we import the material and store the same at our warehouses and depots and sell them thereafter to manufacturer of plastic product. These end use customers include manufacturers of pressure pipes, non-pressure pipes, drip pipe, shrink film, lamination film, mulch film, greenhouse films, CPP films, liners, EPE foam, woven sack bags, spun bond nonwoven fabric, paint pails, crates, houseware products, suitcases, thin wall containers.

Polyethylene (PE) and Polypropylene (PP) are two of the most consumed thermoplastic components in the world. PE is the most commonly produced and consumed polymer compound globally. It finds application in a wide range of products, ranging from every day usage products to niche products. Some of the uses of PE include usage in manufacture of PET bottles, bags & food containers, pipes & pipe fittings. Flexible packaging films, and medical implants, to name a few. The popularity of polypropylene stems from its unique blend of properties including flexibility, moisture resistance, superior impact strength, insulation properties, and the smallest impact¹ on environment amongst all popular thermoplastics. These unique properties & attributes has led to its usage as mouldings, fibers, tape, foam, and film. In these separate forms PP is used across a wide range of industries including automotive, plastic packaging, technical textiles, and plastic parts used in machinery/equipment's. This widespread usage pattern of PP in its various forms across multiple industries has given the commodity a strong and varied demand base. (Source: D&B Reports)

Our Company is an authorized distributor of Borouge Pte Ltd to market and sell "Borouge" products in India. Borouge Pte Ltd is a Singapore based multinational company which is engaged in manufacturing and distribution of Polyethylene (PE) and Polypropylene (PP) and related compounds. We also share business relation with another petrochemical multinational company i.e., Basell International Trading FZE, a Dubai based Company from whom we are regularly importing the

¹ PP is considered to produce less solid waste by weight and less carbon dioxide equivalent when compared to other plastics like PET, PS, PVC

“LyondellBasell” products and sell it in India. Basell International Trading FZE is the producers of versatile plastic resins, such as polypropylene, polypropylene compounds and polyethylene. We import the products from these overseas suppliers and sell it in domestic market as per prevailing market price.

Following is our revenue bifurcation on the basis of our products category as on December 31, 2024 and for the financial years ending March 31, 2024 and the preceding two fiscals:

(₹ in lakhs)

| Product Vertical | December 31, 2024* | | FY 2023-24* | | FY 2022-23* | | FY 2021-22* | |
|------------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|-------------------------|-------------|
| | Revenue from Operations | % |
| Polypropylene | 16,505.54 | 42.73% | 21,265.45 | 43.04% | 23,481.87 | 48.19% | 16,513.76 | 58.20% |
| Polyethylene | 22,124.36 | 57.27% | 28,146.92 | 56.96% | 25,244.70 | 51.81% | 11,862.60 | 41.80% |
| Total | 38,629.90 | 100% | 49,412.37 | 100% | 48,726.56 | 100% | 28,376.36 | 100% |

*As certified by our Auditors, by way of their certificate dated April 12, 2025.

Our business in polymers industry has been established four decades ago. Our promoter, Mr. Mukesh Natverlal Thakkar has started his carrier with the trading business of plastic raw material in the year of 1977 through his proprietorship firm “M/s. Emmen Plastics”. Further a partnership firm “M/s Bhavik Enterprises” has been established in the year of 1984 by one of our promoters, Mrs. Purnima Mukesh Thakkar which was dealing in all kind of plastic powder and allied lines. In the year of 1992, Mr. Mukesh Natverlal Thakkar has joined the said partnership firm through Mukesh N Thakkar HUF. Our Company was incorporated on September 15, 2008, as a public Limited Company in the name of “**Bhavik Enterprises Limited**” under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai, Maharashtra. Subsequently our Company has acquired the entire running business of “M/s. Emmen Plastics” and “M/s Bhavik Enterprises” on a going concern basis, along with all its assets and liabilities, through a Business Transfer Agreement dated January 22, 2009.

Currently we are supplying our products in various states of India includes Gujarat, Maharashtra, Rajasthan, Diu-daman, Uttar Pradesh, Telangana, Chhattisgarh, Madhya Pradesh, Haryana, Delhi. A majority of our sales are derived from the states of Maharashtra, Gujarat, Rajasthan, and the Union Territory of Diu and Daman. For the period ended December 31, 2024, and for the financial years ended March 31, 2024, 2023, and 2022, our sales from these four regions amounted to ₹34,474.07 Lakhs, ₹41,931.05 Lakhs, ₹41,290.67 Lakhs, and ₹24,824.67 Lakhs, respectively, constituting 89.24%, 84.88%, 84.85%, and 87.49% of our Revenue from Operations for the respective periods. We gradually intend to expand our business operations to other states of the country as well as into global markets also. We focus on maintaining a seamless supply chain by leveraging our expertise in logistics, procurement, pricing and ensuring timely deliver to our customers. For the period ended December 31, 2024 and for the financial year ended March 31, 2024, 2023 and 2022, we have supplied 39,609.96 metric tons 50,300.90 metric tons, 44,524.10 metric tons and 24,535.65 metric tons respectively of polymers, underscoring our operational scale and growth trajectory.

Our Company is certified with ISO 9001:2015, committed to ensuring traceability in our supply chain, which has become increasingly important in the global trade of polymers. By adhering to good practices in procurement, storage, and transportation, we ensure that our product is delivered to the customers in timely manner. Our operations are also guided by our focus on sustainability and ethical trading. Our Company works closely with its alliance to adopt practices that align with environmental and social governance principles. This includes ensuring fair practices in sourcing and distribution. By integrating sustainability into our business model, we aim to contribute positively to the communities we operate in, while addressing the evolving expectations of our stakeholders.

We are led by our promoters Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Mrs. Purnima Mukesh Thakkar. Mr. Mukesh Natverlal Thakkar and Mrs. Purnima Mukesh Thakkar are having more than four-decade experience in the plastic polymers Industry. Mr. Bhavik Mukesh Thakkar has more than 15 years of experience in the plastic polymers Industry. Our Promoters remains deeply involved in the day-to-day operations, bringing their business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We attribute our market position to the vision and experience of our Promoters, KMP’s and also senior management who have demonstrated their ability to anticipate and capitalize on changing market trends. For further details of our promoters and our management, please see chapter titled “*Our Promoters and Promoter Group*” and “*Our Management*” on pages 184 and 169 of this Draft Prospectus.

KEY FINANCIAL PERFORMANCE

The table below sets forth the key performance indicators of our business as of/for the periods indicated:

(₹ in Lakhs)

| Key Financial Performance | For the period ended December 31, 2024 | For the Financial Year ended | | |
|---|---|------------------------------|-------------------|-------------------|
| | | March 31, 2024 | March 31, 2023 | March 31, 2022 |
| Revenue from Operations ⁽¹⁾ | 38,629.90 | 49,412.37 | 48,726.56 | 28,376.36 |
| EBITDA ⁽²⁾ | 153.28 | 482.72 | 1,746.64 | 556.51 |
| EBITDA Margin (%) ⁽³⁾ | 0.40% | 0.98% | 3.58% | 1.96% |
| PAT ⁽⁴⁾ | 408.39 | 789.12 | 1,555.97 | 676.14 |
| PAT Margin (%) ⁽⁵⁾ | 1.06% | 1.60% | 3.19% | 2.38% |
| Return on Equity (%) ⁽⁶⁾ | 4.33% | 8.93% | 20.30% | 10.32% |
| Return on Capital Employed ⁽⁷⁾ | 5.72% | 11.55% | 24.70% | 13.21% |
| Debt to Equity Ratio (times) ⁽⁸⁾ | NA | NA | NA | NA |
| Net Fixed Asset Turnover Ratio ⁽⁹⁾ | 320.20 | 366.08 | 316.11 | 233.39 |
| Current Ratio (times) ⁽¹⁰⁾ | 2.23 | 2.91 | 2.04 | 2.27 |

Notes: As certified by our Auditors, by way of their certificate dated April 12, 2025.

Explanation of KPIs:

- 1) Revenue from operation means revenue from sales and other operating revenues
- 2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
- 3) EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations
- 4) PAT is calculated as Profit before tax – Tax Expenses
- 5) PAT Margin' is calculated as PAT for the year divided by revenue from operations
- 6) Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
- 7) Return on Capital Employed is ratio of EBIT and Capital Employed, where Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability
- 8) Debt to Equity ratio is calculated as Long Term Debt + Short Term Debt divided by equity
- 9) Net Fixed asset turnover is calculated as revenue from operations divided by the sum of tangible and intangible assets
- 10) Current Ratio is calculated by dividing Current Assets to Current Liabilities

SIGNIFICANT DEVELOPMENTS AFTER DECEMBER 31, 2024 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Except as discussed below and elsewhere in this Draft Prospectus, in the opinion of the Board of Directors of our Company, since the date of the stub period as disclosed in this Draft 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 next twelve months.

- The Board of our Company has approved to allotment of Bonus Issue in the board meeting held on January 31, 2025.
- The Board of our Company has approved to raise funds through Initial Public Offering in the board meeting held on March 03, 2025.
- The members of our Company approved proposal of Board of Directors to raise funds through initial public offering in the EOGM held on March 05, 2025.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our financial performance and results of operations are influenced by a number of important factors, some of which are beyond our control, including without limitation, intense domestic competition, general economic conditions, changes in conditions in the regional markets in which we operate, changes in costs of raw materials and supplies and evolving government regulations and policies. Some of the more important factors are discussed below, as well as in the section titled "Risk Factors" beginning on page 28 of this Draft Prospectus. Our Company's future results of operations could be affected potentially by the following factors:

- We derive our revenue from trading of polymers for which we are dependent on certain suppliers for our operations and an increase in the cost of, or a shortfall in the availability or quality of such products could have an adverse effect on our business, financial condition and results of operations;

- Termination or non-renewal of the distribution agreements by Borouge Pte Ltd. or any material modification to the existing terms under such agreements adverse to our interest will materially and adversely affect our ability to continue our business and operations and our future financial performance
- Our ability to successfully implement our growth strategy and expansion plans;
- We derive our revenue from the domestic market and substantial portion of revenue from the western region of India i.e. Gujarat Maharashtra, Rajasthan and the Union Territory of Dadra and Nagar Haveli and Daman and Diu i.e. Daman & Silvassa. Any adverse developments affecting our operations in western region could have an adverse impact on our revenue and results of operations;
- Any disruption at the ports in western region of India may adversely affect our business and operational performance
- Our ability to attract and retain personnel;
- Restrictions on import may adversely impact our business, cash flows and results of operations;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- Other factors beyond our control; and
- Our ability to manage risks that arise from these factors.

SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer “*Significant Accounting Policies to the Restated Financial Statements*”, under Section titled “*Financial Information*” beginning on page 192 of the Draft Prospectus.

DISCUSSION ON RESULTS OF OPERATION

The following table sets forth select financial data from restated profit and loss accounts for the period ended December 31, 2024, financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the components of which are also expressed as a percentage of total income for such periods.

(₹ in Lakhs)

| Particulars | For 9 months ended Dec 31, 2024 | | For the year ended March 31, 2024 | | For the year ended March 31, 2023 | | For the year ended March 31, 2022 | |
|------------------------------|------------------------------------|----------------|--------------------------------------|----------------|--------------------------------------|----------------|--------------------------------------|----------------|
| | ₹ | In % | ₹ | In % | ₹ | In % | ₹ In Lakhs | % |
| | Lakhs | | Lakhs | | Lakhs | | | |
| Income | | | | | | | | |
| Revenue from operations | 38,629.90 | 98.91% | 49,412.37 | 98.76% | 48,726.56 | 99.22% | 28,376.36 | 98.69% |
| Other income | 424.06 | 1.09% | 622.40 | 1.24% | 381.66 | 0.78% | 376.12 | 1.31% |
| Total income (I + II) | 39,053.96 | 100.00% | 50,034.76 | 100.00% | 49,108.22 | 100.00% | 28,752.48 | 100.00% |
| Expenses | | | | | | | | |
| Purchase Cost | 40,301.31 | 103.19% | 46,188.51 | 92.31% | 45,621.65 | 92.90% | 26,375.70 | 91.73% |
| Operating Cost | 1,231.53 | 3.15% | 1,483.31 | 2.96% | 1,317.92 | 2.68% | 633.71 | 2.20% |

| | | | | | | | | |
|--|------------------|---------------|------------------|---------------|------------------|---------------|------------------|---------------|
| Changes in inventories of Stock in Trade | (3,406.63) | (8.72%) | 795.05 | 1.59% | (417.79) | (0.85%) | 422.86 | 1.47% |
| Employee benefit expense | 169.47 | 0.43% | 172.96 | 0.35% | 162.03 | 0.33% | 162.44 | 0.56% |
| Finance costs | 10.48 | 0.03% | 19.08 | 0.04% | 34.18 | 0.07% | 11.95 | 0.04% |
| Depreciation and amortisation expense | 15.07 | 0.04% | 20.34 | 0.04% | 7.23 | 0.01% | 10.34 | 0.04% |
| Other expenses | 180.95 | 0.46% | 289.82 | 0.58% | 296.12 | 0.60% | 225.15 | 0.78% |
| Total expenses (IV) | 38,502.16 | 98.59% | 48,969.06 | 97.87% | 47,021.33 | 95.75% | 27,842.14 | 96.83% |
| Profit before tax (III - IV) | 551.80 | 1.41% | 1,065.70 | 2.13% | 2,086.89 | 4.25% | 910.34 | 3.17% |
| Tax expense | | | | | | | | |
| Current tax | 146.49 | 0.38% | 278.79 | 0.56% | 529.86 | 1.08% | 234.31 | 0.81% |
| Deferred tax expense/ (credit) | (3.08) | (0.01%) | (2.20) | Negligible | 1.05 | Negligible | (0.12) | Negligible |
| Total tax expense (VI) | 143.41 | 0.37% | 276.59 | 0.55% | 530.91 | 1.08% | 234.20 | 0.81% |
| Profit for the year (V -VI) | 408.39 | 1.05% | 789.12 | 1.58% | 1,555.97 | 3.17% | 676.14 | 2.35% |

Note: (%) column represents percentage of total income.

KEY COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS BASED ON OUR RESTATED FINANCIAL STATEMENTS INCOME

Total Income

Our total income comprises of revenue from operations and other incomes.

Revenue from operations

Revenue from operations mainly consists from Sale of Products & Freight charges recovered.

Other Income

Other income includes foreign fluctuation gain, interest income & License Discount.

Expenditure

Our total expenditure primarily consists of Purchase Cost, Operating Expenses, Changes in inventories of Stock in Trade, Employee Benefit Expenses, Finance costs, Depreciation and amortization expense & Other expenses

Purchase Cost

Purchase cost is the aggregate of Purchases during the year, Custom Duty, Rebate received on purchases, Social Welfare Surcharge, Remission of Duty and Freight Charges & Insurance.

Operating Cost

Operating cost is the aggregate of Clearing & Forwarding Charges, Container Mover Charges, Loading & Unloading Charges & Transportation.

Changes in inventories

Changes in inventories comprises of increase/decrease in stock in trade.

Employee Benefit Expenses

Employee benefit expenses include Contribution to Salaries, Wages and Bonus, Directors Remuneration & Bonus, Sitting Fees paid to Directors, Gratuity Expenses and Staff welfare expenses.

Finance Costs

Our finance cost includes Bank Charges/Commission, Interest on TDS, GST, Customs and Income tax, & Interest Expense others.

Depreciation & Amortization

Depreciation & amortization includes depreciation on tangible assets.

Other Expenses

Other Expenses includes Advertisement Expenses, Auditor's Remuneration, Bad Debt, insurance expenses, legal and professional fees, office expenses, rent, repairs and maintenance, Software and IT related expense, trade discount, telephone expenses, travelling expenses, website expenses etc.

Total Tax expense

Total Tax Expense includes Current Tax & Deferred tax expense. Current tax is computed in accordance with relevant tax regulations. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED ON DECEMBER 31, 2024

Revenue from operations

Revenue from operations consists of Sale of Products & Freight charges recovered. Company has done revenue of operations of ₹ 38,629.40 Lakhs representing 98.91% of Total Income.

Other Income

Other income includes foreign fluctuation gain, interest income & License Discount. The other income constitutes 1.09% for the period ended December 31, 2024.

Expenditure

Our total expenditure primarily consists of Purchase Cost, Operating Expenses, Changes in inventories of Stock in Trade, Employee Benefit Expenses, Finance costs, Depreciation and amortization expense & Other expenses. The Expense are 98.59% of Total Income for the period ended December 31, 2024.

Purchase Cost

Purchase cost is the aggregate of Purchases during the year, Custom Duty, Social Welfare Surcharge, Remission of Duty and Freight Charges & Insurance. The Purchase cost is 103.19% of Total Income for the period ended December 31, 2024.

Operating Cost

Operating cost is the aggregate of Clearing & Forwarding Charges, Container Mover Charges, Loading & Unloading Charges & Transportation. The Operating cost is 3.15% of Total Income for the period ended December 31, 2024.

Changes in inventories

Changes in inventories comprises of increase/decrease in Finished Goods. The Change in inventories is (8.72%) of Total Income for the period ended December 31, 2024.

Employee Benefit Expenses

Employee benefit expenses include Contribution to Salaries, Wages and Bonus, Directors Remuneration & Bonus, Sitting Fees paid to Directors, Gratuity Expenses and Staff welfare expenses. The Employee Benefit Expenses are 0.43% of Total Income for the period ended December 31, 2024.

Finance Costs

Our finance cost includes Bank Charges/Commission, Interest on TDS, GST, Customs and Income tax, & Interest Expense others. The Finance cost are 0.03% of Total Income for the period ended December 31, 2024.

Depreciation & Amortization

Depreciation & amortization includes depreciation on tangible assets. The Depreciation and Amortization cost is 0.04% of Total Income for the period ended December 31, 2024.

Other Expenses

Other Expenses includes Advertisement Expenses, Auditor's Remuneration, Bad Debt, insurance expenses, legal and professional fees, office expenses, rent, repairs and maintenance, Software and IT related expense, trade discount, telephone expenses, travelling expenses, website expenses etc. The Other Expenses are 0.46% of Total Income for the period ended December 31, 2024.

Total Tax expense

Total Tax Expense includes Current Tax & Deferred tax expense. Current tax is computed in accordance with relevant tax regulations. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. The Total Tax expenses are 0.37% of Total Income for the period ended December 31, 2024.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 TO FINANCIAL YEAR ENDED MARCH 31, 2023

Income

Total Revenue

Our total revenue increased marginally by 1.89% to ₹50,034.76 Lakhs for Fiscal 2024 from ₹49,108.22 Lakhs for Fiscal 2023.

Revenue from Operations

Our revenue from operations increased marginally by 1.41% to ₹49,412.37 Lakhs for Fiscal 2024 from ₹48,726.56 Lakhs for Fiscal 2023. The company's revenue has not increased significantly because it has depleted its internal funds, reaching a point where growth from owned capital is no longer possible. As a result, the company now requires external capital to finance its working capital needs, which has led to a stagnation in revenue growth.

Other Income

During the Fiscal 2024 the other income of our Company increased to ₹622.40 Lakhs as against ₹381.66 Lakhs in the Fiscal 2023 representing a increase of 63.08%. The main reason of increase was due to increase in Gain on fluctuation in foreign currency which increased to ₹335.29 Lakhs as against ₹113.49 Lakhs in the Fiscal 2023.

Expenditure

Purchase Cost

The purchase expense increased marginally by 1.24% to ₹46,188.51 Lakhs for Fiscal 2024 from ₹45,621.65 Lakhs for Fiscal 2023. This was primarily attributable to increase in custom duty.

Operating Cost

The operating cost increased by 12.55% to ₹1,483.31 Lakhs for Fiscal 2024 from ₹1,317.92 Lakhs for Fiscal 2023. This was primarily attributable to increase in clearing & forwarding charges and increase in Container Mover charges.

Changes in inventories

Change in inventory was ₹795.05 Lakhs during the Fiscal 2024 as compared to ₹(417.79) Lakhs in the Fiscal 2023. The change of (290.30) % was due to decrease in closing stock of inventories.

Employee Benefit Expenses

The employee benefits expense increased by 6.75% to ₹172.96 Lakhs for Fiscal 2024 from ₹162.03 Lakhs for Fiscal 2023. This was primarily attributable to increase in Salaries, wages and bonus as compared to the previous year.

Finance costs

These costs for the financial Year Fiscal 2024 decreased to ₹19.08 Lakhs as against ₹34.18 Lakhs during the Fiscal 2023. The decrease of 44.18% was due to decrease in Bank Charges/commission.

Depreciation & Amortization

Our depreciation increased by 181.32% to ₹20.34 Lakhs for Fiscal 2024 from ₹7.23 Lakhs for Fiscal 2023. This was primarily due to purchase of vehicle of ₹ 43.92 lakhs in later part of Fiscal 2023 on which depreciation of full year was charged in Fiscal 2024.

Other Expenses

Our other expenses increased has decreased by 2.13% to ₹289.82 Lakhs for Fiscal 2024 from ₹296.12 Lakhs for Fiscal 2023. The principal reason for the decrease in expenses was decrease in trade discount in current year.

Tax Expense

Our Tax Expense decreased from ₹530.91 lakhs in Fiscal 2023 to ₹276.59 lakhs for Fiscal 2024, primarily due to decrease in Profit before Tax.

Profit after tax

Profit after tax has decreased substantially by 49.28% from ₹1,555.97 lakhs for Fiscal 2023 to ₹789.12 lakhs for Fiscal 2024. The company's profits have decreased in Fiscal 2024 compared to Fiscal 2023 due to the exceptional performance in the previous year. In Fiscal 2023, profit margins were significantly higher, driven by increased prices in domestic markets and the company's ability to source materials at lower costs from foreign suppliers, as it is an authorized distributor for "Borouge Pte Ltd". With international rates being lower, the company was able to sell goods at higher margins, which boosted profits. However, this favorable situation has reverted to normal in Fiscal 2024, resulting in a reduction in profit margins.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 TO FINANCIAL YEAR ENDED MARCH 31, 2022

Income

Total Revenue

Our total revenue increased by 70.80 % to ₹49,108.22 Lakhs for Fiscal 2023 from ₹28,752.48 Lakhs for Fiscal 2022.

Revenue from Operations

The revenue from operations has increased by 71.72% from ₹28,376.36 lakhs in Fiscal 2022 to ₹48,726.56 lakhs Fiscal 2023. In Fiscal 2023, the company has expanded its operations significantly, it has added new product grades which has contributed to increase in revenue of company, details of the same is as under:

(₹ in lakhs)

| Existing /Additional Grade | FY 2022-23 | | |
|--------------------------------------|-------------------------|---------------|-------------|
| | Revenue from Operations | No. of Grades | % |
| Existing Product Grades | 40,862.47 | 51 | 83.86% |
| Additional Product Grades | 7,864.09 | 21 | 16.14% |
| Total Revenue from Operations | 48,726.56 | 72 | 100% |

The company generated additional revenue of ₹7,864.09 Lakhs by additions of 21 product grades compared to previous year, company also increased its revenue from its existing product grades by ₹12,486.11 Lakhs.

Other Income

Our other income increased to ₹381.66 Lakhs for Fiscal 2023 from ₹376.12 Lakhs for Fiscal 2022. This can be primarily attributed to increase in Interest from bank deposits.

Expenditure

Purchase Cost

The purchase cost increased by 72.97% to ₹45,621.65 Lakhs for Fiscal 2023 from ₹26,375.70 Lakhs for Fiscal 2022. This was primarily attributable to increase Purchases during the year and custom duty. It has increased in line with increase in Revenue from operations.

Operating Cost

The operating cost increased by 107.97% to ₹1,317.92 Lakhs for Fiscal 2023 from ₹633.71 Lakhs for Fiscal 2022. This was primarily attributable to increase in clearing & forwarding charges and increase in Transportation charges.

Changes in inventories

Change in inventory of was ₹(417.79) Lakhs during the Fiscal 2023 as compared to ₹422.86 Lakhs in the fiscal 2022. The change of (198.80%) was due to increase in closing stock of inventories.

Employee Benefit Expenses

The employee benefits expense decreased by (0.25%) to ₹162.03 Lakhs for Fiscal 2023 from ₹162.44 Lakhs for Fiscal 2022. The expenses have remained constant in both years.

Finance costs

These costs for the Fiscal 2023 increased to ₹34.18 Lakhs as against ₹11.95 Lakhs during the Fiscal 2022. The increase of 186.07% was due to increase in Bank charges/commission.

Depreciation & Amortization

Our depreciation decreased by 30.06% to ₹7.23 Lakhs for Fiscal 2023 from ₹10.34 Lakhs for Fiscal 2022. The primary reason of decrease was disposal of asset by company of ₹36.78 Lakhs and acquisition was done in later part of the year.

Other Expenses

Our other expenses increased by 31.52% to ₹296.12 Lakhs for Fiscal 2023 from ₹225.15 Lakhs for Fiscal 2022. This increase was primarily due to increase in Trade discount.

Tax Expense

Our Tax Expense increased from ₹234.20 lakhs in Fiscal 2022 to ₹530.91 lakhs for Fiscal 2023, primarily due to increase in Profit before Tax.

Profit after tax

Profit after tax has increased from ₹676.14 lakhs for Fiscal 2022 to ₹1,555.14 lakhs for Fiscal 2023. The company's profits have increased in Fiscal 2023 compared to Fiscal 2022 due to the exceptional performance in the current year. In Fiscal 2023, profit margins were significantly higher, driven by increased prices in domestic markets and the company's ability to source materials at lower costs from foreign suppliers, as it is an authorized distributor for "Borouge Pte Ltd". With international rates being lower, the company was able to sell goods at higher margins, which boosted profits. This has led to increased profits in current year. The company's EBE expenses have remained constant in Fiscal 2023, while revenue has doubled. This significant increase in revenue, coupled with stable EBE expenses, has also contributed to an overall improvement in profit margins.

CASH FLOWS

Cash Flows

(₹ in lakhs)

| Particulars | December 31, 2024 | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|------------------------------------|-------------------|----------------|----------------|----------------|
| Net Cash from Operating Activities | (4,273.75) | (276.74) | 1,435.80 | 51.06 |
| Net Cash from Investing Activities | (195.64) | 265.50 | (146.11) | 151.33 |
| Net Cash from Financing Activities | (0.11) | (2.51) | (0.68) | (0.37) |

Cash Flows from Operating Activities

For the period ended December 31, 2024

Net cash used in operating activities for period ended December 31, 2024 was at ₹4,273.75 lakhs as compared to the Profit Before tax of ₹551.80 lakhs. Our operating profit before working capital changes was ₹367.23 Lakhs for the period ended December 31, 2024 which was primarily adjusted against increase in trade receivables by ₹2,271.53 Lakhs, increase in inventories by ₹4,023.24 Lakhs, increase in Long term loans & advances by ₹32.83 Lakhs, increase in Short term loans & advances by ₹697.25 Lakhs, increase in trade payables by ₹2,641.64 Lakhs, decrease in other current liabilities by ₹207.62 Lakhs and direct tax paid of ₹141.35 Lakhs.

For the financial year ended March 31, 2024

Our net cash used in operating activities was ₹276.74 Lakhs for the financial year ended March 31, 2024. Our operating profit before working capital changes was ₹820.60 Lakhs for the financial year ended March 31, 2024 which was primarily adjusted against decrease in trade receivables by ₹691.70 Lakhs, decrease in inventories by ₹1650.48 Lakhs, increase in Short term loans & advances by ₹242.88 Lakhs, decrease in trade payables by ₹2,912.44 Lakhs, decrease in provision by ₹191.05 Lakhs and direct tax paid of ₹178.32 Lakhs.

For the financial year ended March 31, 2023

Our net cash generated from operating activities was ₹1,435.80 Lakhs for the financial year ended March 31, 2023. Our operating profit before working capital changes was ₹1,878.76 Lakhs for the financial year ended March 31, 2023 which was primarily adjusted against increase in trade receivables by ₹421.98 Lakhs, increase in inventories by ₹1,863.31 Lakhs, decrease in Short term loans & advances by ₹54.72 Lakhs, increase in trade payables by ₹2,194.73 Lakhs, increase in provision by ₹132.86 Lakhs and direct tax paid of ₹602.33 Lakhs.

For the financial year ended March 31, 2022

Our net cash generated from operating activities was ₹51.06 Lakhs for the financial year ended March 31, 2022. Our operating profit before working capital changes was ₹771.31 Lakhs for the financial year ended March 31, 2022 which was primarily adjusted against increase in trade receivables by ₹727.79 Lakhs, decrease in inventories by ₹254.20 Lakhs, increase in Short term loans & advances by ₹25.83 Lakhs, increase in trade payables by ₹209.05 Lakhs, increase in provisions by ₹373.97 Lakhs and direct tax paid of ₹40.74 Lakhs.

Cash Flows from Investment Activities

For the period ended December 31, 2024

For the period ended December 31, 2024, the net cash invested in Investing Activities was ₹195.64 lakhs. This was mainly on account of Purchases of Fixed Assets of ₹0.73 lakhs, Sale of Investments of ₹2.76 lakhs, Advance given against Property Purchase of ₹400.00 lakhs and interest income of ₹202.33 lakhs.

For the financial year ended March 31, 2024

Our net cash from investing activities was ₹265.50 lakhs. This was on account of Purchases of Fixed Assets of ₹1.17 lakhs, and interest income of ₹266.67 lakhs.

For the financial year ended March 31, 2023

Our net cash invested in investing activities was ₹146.11 lakhs. This was mainly on account of Purchases of Fixed Assets of ₹46.04 lakhs, Advance given against Property Purchase of ₹324.30 lakhs and interest income of ₹217.90 lakhs.

For the financial year ended March 31, 2022

Our net cash from investing activities was 151.33 lakhs. This was mainly on account of Purchases of Fixed Assets of ₹1.12 lakhs, and interest income of ₹152.45 lakhs.

Cash Flows from Financing Activities

For the period ended December 31, 2024

For the period ended December 31, 2024, the net cash outflow from financing activities was ₹0.11 lakhs. This was on payment of interest of ₹0.11 lakh.

For the financial year ended March 31, 2024

Our net cash outflow from financing activities was ₹2.51 lakhs. This was on payment of interest of ₹2.51 lakh.

For the financial year ended March 31, 2023

Our net cash outflow from financing activities was ₹0.68 lakhs. This was on payment of interest of ₹0.68 lakh.

For the financial year ended March 31, 2022

Our net cash outflow from financing activities was ₹0.37 lakhs. This was on payment of interest of ₹0.37 lakh.

INFORMATION REQUIRED AS PER ITEM 11 (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS

Unusual or infrequent events or transactions

There has not been any unusual trend on account of our business activity. There are no unusual or infrequent events or transactions in our Company. The transactions are as per usual business operations.

Significant economic changes that materially affected or are likely to affect income from continuing operations.

Our business has been subject, and we expect it to continue to be subject to significant economic changes arising from the trends identified above in 'Factors Affecting our Results of Operations' and the uncertainties described in the section entitled "Risk Factors" beginning on page 28 of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under chapter titled "Risk Factors" beginning on page 28 of this Draft Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

Extent to which material increases in net sales or revenue are due to increase in products

Changes in revenue in the last three financial years are as explained in the part "Financial Year 2023-24 compared with financial year 2022-23 and Financial Year 2022-23 Compared with Financial Year 2021-22" above.

Significant dependence on a single or few Suppliers or Customers

Significant proportion of our total revenue have historically been derived from a limited number of customers. Our top ten customers for the period ended December 31, 2024, Fiscals 2024, 2023 and 2022 is ₹9,931.25 lakhs, ₹11,107.44 lakhs, ₹15,144.04 lakhs and ₹10,098.71 lakhs accounted for 25.71%, 22.48%, 31.08% and 35.59% of our revenue from operations for the respective year.

Significant proportion of our purchases have historically been derived from a limited number of suppliers. Our top 10 suppliers for the period ended December 31, 2024, Fiscals 2024, 2023 and 2022 is ₹37,846.80 lakhs, ₹43,219.60 lakhs, ₹42,709.08 lakhs and ₹24,801.60 lakhs accounted for 100.00%, 99.97%, 99.90% and 99.74% of our purchases for raw materials for respective years.

Status of any publicly announced new products or business segment.

Please refer to the chapter titled “*Our Business*” beginning on page 130 of this Draft Prospectus for new products or business segments.

Seasonality of business

Our business is not seasonal in nature.

Competitive conditions.

Competitive conditions are as described under the chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages 96 and 130 respectively of this Draft Prospectus.

SECTION VIII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) pending criminal litigation involving our Company, Directors, Promoters or Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, Directors, Promoters or Group Companies; (iii) outstanding claims involving our Company, Directors, Promoters or Group Companies for any direct and indirect tax liabilities; (iv) outstanding proceedings initiated against our Company for economic offences; (v) defaults or non-payment of statutory dues by our Company; (vi) material fraud against our Company in the last five years immediately preceding the year of this Draft Prospectus; (vii) inquiry, inspection or investigation initiated or conducted under the Companies Act 2013 or any previous companies law against our Company during the last five years immediately preceding the year of this Draft Prospectus and if there were prosecutions filed (whether pending or not); (viii) fines imposed or compounding of offences for our Company in the last five years immediately preceding the year of this Draft Prospectus; (ix) litigation or legal action against our Promoters by any ministry or Government department or statutory authority during the last five years immediately preceding the year of this Draft Prospectus; (x) pending litigations involving our Company, Directors, Promoter, Group Companies or any other person, as determined to be material by the Company's Board of Directors in accordance with the SEBI (ICDR) Regulations; or (xi) outstanding dues to creditors of our Company as determined to be material by our Company's Board of Directors in accordance with the SEBI (ICDR) Regulations and dues to small scale undertakings and other creditors.

For the purpose of material litigation in (x) above, our Board has considered and adopted the following policy on materiality with regard to outstanding litigations to be disclosed by our Company in this Draft Prospectus:

- a) All criminal proceedings, statutory or regulatory actions and taxation matters, involving our Company, Promoters, Directors, or Group Companies, as the case may be shall be deemed to be material;*
- b) Litigation where the value or expected impact in terms of value, exceeds the lower of the following:
 - i) two percent of turnover, as per the latest annual restated financial statements of the issuer i.e. ₹ 988.25 Lakhs; or*
 - (ii) two percent of net worth, as per the latest annual restated financial statements of the issuer, except in case the arithmetic value of the net worth is negative i.e. 184.67 Lakhs; or*
 - (iii) five percent of the average of absolute value of profit or loss after tax, as per the last three annual restated financial statements of the issuer i.e. ₹ 181.06 Lakhs.”**

In our case we have taken the value of criteria (i) being the lowest has been considered for the purpose of materiality.

- c) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (b) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company or where the monetary liability is not quantifiable, each such case involving our Company, Promoter, Directors, or Group Companies, whose outcome would have a bearing on the business operations, prospects or reputation of our Company and as required under the SEBI Regulations have been disclosed on our website at <https://bhavikenterprises.com/>*
- d) Notices received by our Company, Promoters, Directors, or Group Companies, as the case may be, from third parties (excluding statutory/regulatory authorities or notices threatening criminal action) shall, in any event, not be evaluated for materiality until such time that the Company / Directors / Promoters / Group Companies, as the case may be, are impleaded as parties in proceedings before any judicial forum.*
- e) All criminal proceedings involving key managerial personnel and senior management of the company and also the actions by regulatory authorities and statutory authorities against such key managerial personnel and senior management of the company.*

Our Company, our Promoters and/or our Directors, have not been declared as wilful defaulters by the RBI or any governmental authority, have not been debarred from dealing in securities and/or accessing capital markets by the SEBI and no disciplinary action has been taken by the SEBI or any stock exchanges against our Company, our Promoters or our Directors, that may have a material adverse effect on our business or financial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

OUTSTANDING TAXATION MATTERS INVOLVING OUR COMPANY, DIRECTORS, AND PROMOTERS:**PART 1: LITIGATION RELATING TO OUR COMPANY****A. FILED AGAINST OUR COMPANY****1) Litigation involving Criminal Laws**

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability**Indirect Tax:****GST Demands:**

| Sr. No. | Entity and GSTIN | Name of Authority | Notice /Demand Order Id & Period | Notice / Order Description | Amount in Dispute (₹) | Current Status |
|---------|---|--|---|--|--|---|
| 1. | M/s. Bhavik Enterprises Limited GSTIN: 26AADCB5606P3ZD (Daman & Diu) | GST Officer Jurisdiction: Daman , Daman & Diu, Dadra And Nagar Haveli And Daman And Diu | Form GST ASMT-10 bearing reference no. ZD260222000626X dated: February 23, 2022 Period: April 2021 - December 2021 | Notice for intimating discrepancies in the return after scrutiny u/s 61 of UTGST Act, 2017 Discrepancies are related to difference in ITC Claimed | wrongly availed ITC Rs. 4,75,981/- | The Company has filed Reply in this matter dated February 28, 2022 and the same is pending for response from the concerned authority. |
| 2. | M/s. Bhavik Enterprises Limited GSTIN: 26AADCB5606P3ZD (Daman & Diu) | GST Officer Jurisdiction: Daman , Daman & Diu, Dadra And Nagar Haveli And Daman And Diu | Form GST ASMT-10 bearing reference no. ZD260823000198I dated: August 09, 2023 Case ID: AD260823000085G Period: April 2023 – June 2023 | Notice for intimating discrepancies in the return after scrutiny u/s 61 of UTGST Act, 2017 Discrepancies are related to difference in ITC Claimed | wrongly availed ITC Rs. 22,38,728/- | The Company has filed Reply in this matter dated August 19, 2023 and the same is pending for response from the concerned authority. |
| 3. | M/s. Bhavik Enterprises Limited GSTIN: 27AADCB5606P1ZD (Maharashtra) | Assistant Commissioner Of State Tax Goregaon- East_602 | Form GST ASMT-10 bearing reference no. ZD270225026628B dated: | Notice for intimating discrepancies in the return after scrutiny u/s 61 | ITC difference in GSTR 3B & GSTR 2B: Rs. 3,15,11,091/- | The Company has filed Reply in this matter dated March 04, |

| | | | | | | |
|--|--|----------------------------|---|--|--|--|
| | | Nodal Division-8 Mumbai | February 05, 2025 Period: April 2022 –September 2022 Case ID: AD270225014257B | of UTGST Act, 2017 Discrepancies are related to difference in ITC Claimed in GSTR 3B as compare to GSTR 2B | | 2025 and the same is pending for response from the concerned authority |
|--|--|----------------------------|---|--|--|--|

Direct Tax:

1. AY. 2020-21

As per details available on the website of the Income Tax Department **M/s. Bhavik Enterprises Limited** (hereinafter referred to as the “Assessee”) had been issued with an order bearing no **ITBA/AST/S/147/2024-25/1074122859(1)** dated March 06, 2025 issued u/s. 147 r.w.s. 144B of the Income Tax Act, 1961, making an addition of Rs. 4,00,41,462/- to the returned income of Rs. 6,77,01,330/- for the A.Y. 2020-21 by way of disallowance of certain unexplained expenses thus raising a demand order vide identification no. 2024202037353012813C for an amount of Rs. 3,70,31,440/- and the same is pending.

Aggrieved by the aforementioned order, the assessee herein filed an appeal before the Joint Commissioner (Appeals) or the Commissioner of Income –Tax (Appeals) vide acknowledgement no. 916874910270325 dated March 27, 2025 and the same is pending .

A separate penalty proceedings were initiated against the assessee vide show cause notice bearing no ITBA/PNL/S/270A/2024-25/1074122936(1) dated March 06, 2025 issued u/s. 274 r.w.s. 270A & ITBA/PNL/S/271AAC(1)/2024-25/1074122938(1) dated March 06, 2025 issued u/s. 274 r.w.s.271AAC(1) and the same are pending.

2. A.Y. 2009-10

As per details available on the website of the Income Tax Department **M/s. Bhavik Enterprises Limited** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2010200910009130020C** dated March 08, 2011 passed u/s. 154 of the Income Tax Act, 1961, raising a demand of Rs. 3,25,690/- for the A.Y. 2009-10 in addition to an interest of Rs. 44,312 /- and is pending and has been disputed by the assessee.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. CASES FILED BY OUR COMPANY

1. Litigation involving Criminal Laws

NIL

2. Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3. Disciplinary Actions by Authorities

NIL

4. Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5. Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 2: LITIGATION RELATING TO OUR PROMOTERS/ DIRECTORS/ KEY MANAGERIAL PERSONS/ SENIOR MANAGERIAL PERSONS OF THE COMPANY

A. LITIGATION AGAINST OUR PROMOTERS/ DIRECTORS/ KEY MANAGERIAL PERSONS/ SENIOR MANAGERIAL PERSONS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax:

Mr. Mukesh Natverlal Thakkar (Promoter cum Whole Time Director)

1. A.Y. 2009-10

As per details available on the website of the Income Tax Department **Mr. Mukesh Natverlal Thakkar** (herein after referred to as the "Assessee") have been issued with a demand notice bearing Demand Reference No: **2010200910053401155T** dated March 22, 2011 passed u/s. 143(1) (b) of the Income Tax Act, 1961, raising a demand of Rs. 4,36,030/- for the A.Y. 2009-10 and has been disputed by the assessee and is pending.

2. A.Y.2008-09

As per details available on the website of the Income Tax Department **Mr. Mukesh Natverlal Thakkar** (herein after referred to as the "Assessee") have been issued with a demand notice bearing Demand Reference No: **2009200851025288152T** dated March 16, 2010 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 4,35,820/- for the A.Y. 2008-09 and has been disputed by the assessee and is pending.

3. A.Y.2007-08

As per details available on the website of the Income Tax Department **Mr. Mukesh Natverlal Thakkar** (herein after referred to as the "Assessee") have been issued with a demand notice bearing Demand Reference No: **2009200751025288144T** dated December 13, 2008 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 66,384/- for the A.Y. 2007-08 and has been disputed by the assessee and is pending.

4. A.Y.2006-07

As per details available on the website of the Income Tax Department **Mr. Mukesh Natverlal Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2009200651025288136T** dated March 29, 2007 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 66,890/- for the A.Y. 2006-07 and has been disputed by the assessee and is pending.

5. A.Y.2005-06

As per details available on the website of the Income Tax Department **Mr. Mukesh Natverlal Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2009200551025288121T** dated April 11, 2006 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 1,10,009/- for the A.Y. 2005-06 in addition to an interest of Rs. 33,952/- and is pending to be paid by the assessee.

Ms. Purnima Mukesh Thakkar (Promoter cum Executive Director)

1. A.Y. 2009-10

As per details available on the website of the Income Tax Department **Ms. Purnima Mukesh Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2011200951094648375T** dated March 31, 2010 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 29,563/- for the A.Y. 2009-10 and the same has been disputed by the assessee and is pending.

The assessee has further been issued with a demand notice bearing Demand Reference No: 2010200910016792494T dated December 30, 2010 passed u/s. 143(1) (a) of the Income Tax Act, 1961, raising a demand of Rs. 29,560/- for the A.Y. 2009-10 and is pending to be paid by the assessee.

Mr. Bhavik Mukesh Thakkar(Promoter cum Managing Director)

1. A.Y. 2019-20

As per details available on the website of the Income Tax Department **Mr. Bhavik Mukesh Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2019201937082409464T** dated December 20, 2019 passed u/s. 143(1) (a) of the Income Tax Act, 1961, raising a demand of Rs. 48,020/- for the A.Y. 2019-20 and is pending to be paid by the assessee.

2. A.Y. 2009-10

As per details available on the website of the Income Tax Department **Mr. Bhavik Mukesh Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2010200951083428342T** dated March 31, 2010 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 8,27,063/- for the A.Y. 2009-10 in addition to an interest of Rs. 12,35,890/- and the same has been disputed by the assessee and is pending.

3. A.Y. 2007-08

As per details available on the website of the Income Tax Department **Mr. Bhavik Mukesh Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2010200751045693791T** dated March 21, 2009 passed u/s. 143(1) of the Income Tax Act, 1961, raising a demand of Rs. 3,24,275/- for the A.Y. 2007-08 and is pending to be paid by the assessee.

4. A.Y. 2006-07

As per details available on the website of the Income Tax Department **Mr. Bhavik Mukesh Thakkar** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2010200651045693772T** dated March 21, 2010 passed u/s. 271(1)(c) of the Income Tax Act, 1961, raising a demand of Rs. 2,49,989/- for the A.Y. 2006-07 in addition to an interest of Rs. 1,15,000/- and is pending to be paid by the assessee.

Mr. Manishkumar Anjanikumar Dhanuka (Independent Director)

1. A.Y. 2020-21

As per details available on the website of the Income Tax Department **Mr. Manishkumar Anjanikumar Dhanuka** (herein after referred to as the “Assessee”) have been issued with a demand notice bearing Demand Reference No: **2021202037019087432T** dated October 19, 2021 passed u/s. 143(1)(a) of the Income Tax Act, 1961, raising a demand

of Rs. 9,56,490 /- for the A.Y. 2020-21 in addition to an interest of Rs. 4,01,688/- and the same has been disputed by the assessee.

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR PROMOTERS/ DIRECTORS/ KEY MANAGERIAL PERSONS/ SENIOR MANAGERIAL PERSONS

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

PART 3: LITIGATION RELATING TO OUR GROUP COMPANIES

A. LITIGATION AGAINST OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

B. LITIGATION FILED BY OUR GROUP COMPANIES

1) Litigation involving Criminal Laws

NIL

2) Litigation Involving Actions by Statutory/Regulatory Authorities

NIL

3) Disciplinary Actions by Authorities

NIL

4) Litigation involving Tax Liability

Indirect Tax: NIL

Direct Tax: NIL

5) Other Pending Litigation based on Materiality Policy of our Company

NIL

DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGES AGAINST THE PROMOTER, DIRECTORS, GROUP COMPANY AND PROMOTOR GROUP DURING THE LAST 5 FINANCIAL YEARS

There are no disciplinary actions including penalty imposed by SEBI or Stock Exchanges against the Promoters, Directors or Group Company during the last 5 financial years including outstanding actions except as disclosed above.

PAST INQUIRIES, INSPECTIONS OR INVESTIGATIONS

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last five years immediately preceding the year of this Draft Prospectus in the case of our Company, Promoters, Directors. Other than as described above, there have been no prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last five years immediately preceding the year of the Draft Prospectus.

OUTSTANDING LITIGATION AGAINST OTHER PERSONS AND COMPANIES WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY

As on the date of the Draft Prospectus, there is no outstanding litigation against other persons and companies whose outcome could have a material adverse effect on our Company.

PROCEEDINGS INITIATED AGAINST OUR COMPANY FOR ECONOMIC OFFENCES

There are no proceedings initiated against our Company for any economic offences.

NON-PAYMENT OF STATUTORY DUES

As on the date of the Draft Prospectus there have been no (i) instances of non-payment or defaults in payment of statutory dues by our Company, (ii) over dues to companies or financial institutions by our Company, (iii) defaults against companies or financial institutions by our Company, or (iv) contingent liabilities not paid for.

MATERIAL FRAUDS AGAINST OUR COMPANY

There have been no material frauds committed against our Company in the five years preceding the year of this Draft Prospectus.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor our Promoters, nor Group Companies and nor Directors have been categorized or identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India. There are no violations of securities laws committed by them in the past or are currently pending against any of them.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWER

Our Company or any of our Promoters or Group Companies or Directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

MATERIAL DEVELOPMENTS OCCURRING AFTER LAST BALANCE SHEET DATE

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 232 there have been no material developments that have occurred after the Last Balance Sheet Date.

OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, details of outstanding dues (trade payables) owed to MSME (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at December 31, 2024, are set out below:

(in ₹ lakhs)

| Particulars | Number of creditors | Amount involved |
|---|---------------------|-----------------|
| Dues to Micro, Small and Medium Enterprises | 25 | 112.38 |
| Dues to other creditors | 20 | 6,627.99 |
| Total | 45 | 6,740.37 |

The details pertaining to outstanding dues to the material creditors along with names and amounts involved for each such material creditor are available on the website at <https://bhavikenterprises.com/>

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Draft Prospectus and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Offer and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Offer or to continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities. The following are the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business:

APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of Incorporation dated September 15, 2008 from the Assistant Registrar of Companies, Mumbai, Maharashtra, under the Companies Act, 1956 as "Bhavik Enterprises Limited" (Company Identification Number - U51900MH2008PLC186771).
2. Business Takeover Agreement dated January 01, 2009 M/s. Bhavik Enterprises (Partnership firm) and M/s. Emmen Plastics, a Proprietary Concern of Mr. Mukesh Natverlal Thakkar to Bhavik Enterprises Limited.

APPROVALS IN RELATION TO THE OFFER

Corporate Approvals

1. Our Board of Directors has, pursuant to resolutions passed at its meeting held March 03, 2025 authorized the Offer, subject to the approval by the shareholders of our Company under section 62(1) (c) of the Companies Act, 2013.
2. Our shareholders have, pursuant to a resolution dated March 05, 2025, Section 62(1) (c) of the Companies Act, 2013, authorized the Offer.
3. Our Board of Directors has, pursuant to a resolution dated April 25, 2025 and [●] authorized our Company to take necessary action for filing the Draft Prospectus and Prospectus respectively with BSE SME

Approvals from Stock Exchange

1. Our Company has received in- principle listing approval from the BSE SME dated [●] for listing of Equity Shares issued pursuant to the offer.

Other Approvals

1. The Company has entered into a tripartite agreement dated October 11, 2024 with the Central Depository Services (India) Limited (CDSL) and the Registrar and Transfer Agent, who in this case Bigshare Services Private Limited, for the dematerialization of its shares.
2. The Company has entered into an agreement dated November 11, 2024 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. ISIN: INE18PB01017

APPROVALS / LICENSES / PERMISSIONS IN RELATION TO OUR BUSINESS

Tax Related Approvals

| S. No. | Description | Address of Place of Business / Premises | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|--------|--|--|---------------------|---|--------------------|----------------------|
| 1. | Permanent Account Number (PAN) | M/s. Bhavik Enterprises Limited | AADCB5606P | Income Tax Department | September 24, 2008 | Valid till Cancelled |
| 2. | Tax Deduction and Collection Account Number (TAN) | M/s. Bhavik Enterprises Limited, 49 Jaykar Smruti Off Aarey Road, Goregaon (W), Mumbai-400062, Maharashtra | MUMB19059F | Income Tax Department | January 10, 2009 | Valid till Cancelled |
| 3. | Professions Tax Registration Certificate (P.T.R.C) | M/s. Bhavik Enterprises Limited, 49, Aykar Smruti, Aaray Road, Goregaon (East), Mumbai Suburban, Maharashtra 400062 | 27730686258P | Maharashtra Sales Tax, Profession Tax Officer (26), F.M. Ward, Mumbai | December 19, 2008 | Valid till Cancelled |
| 4. | Professions Tax Enrollment Certificate (P.T.E.C) | M/s. Bhavik Enterprises Limited, 49, Jykar Smruti, Aaray Road, Goregaon (East), Mumbai Suburban, Maharashtra-400062 | 99521656980P | Maharashtra Sales Tax, Profession Tax Officer (26) F.M. Ward, Mumbai | December 19, 2008 | Valid till Cancelled |

Registration Related to Our Premises

| Sr. No. | Address of Premises | State | GST Registration number issued by Goods and Service Tax Department | Date of Issue | Shop Act Registration / Storage license | Registration / Intimation | Validity | |
|---------|---|-----------|--|--|---|--|----------|--|
| 1. | M/s. Bhavik Enterprises Limited Ground, Gala No. 15, R.K. Industrial Estate, Karvad, Vapi, Valsad, Gujarat, 396125 | (Gujarat) | 24AADCB5606P1Z J | July 01, 2017 Latest amended certificate dated: December 17, 2024 | Receipt Number: 2447 dated March 29, 2025 | Application for Shop License Under The Gujarat Shops and Establishment Act, 1948 | Pending | |
| 2. | Plot No 18, Shree Mahalaxmi Park-1, Sss Sai Logistics, Survey No 201/1, Village Zarpara, Mundra, Kachchh, Gujarat, 370421 | | | | | | | Not applicable since the premise is a rented warehouse |
| 3. | Ground Floor, Plot No 9 Survey 75/2, Sss Sai Logistics, Adani | | | | | | | Not applicable since the premise is a rented warehouse |

| | | | | | | | | |
|----|--|-------------|------------------|--|---|---|---|---|
| | Road Hind Circle, Near Hind Terminals N.A. Industrial Area, Dhrub GIDC Area, Mundra, Kachchh, Gujarat, 370421 | | | | | | | |
| 4. | Ground Floor, Plot No. 3 Gala No. 1, 2, 3, 4, 5 and 6, Pragati Logistics Services, Survey No. 169/24, Paiki 1, Dhrub GIDC Area, Mundra, Kachchh, Gujarat, 370421 | | | | Not applicable since the premise is a rented warehouse | | | |
| 5. | M/s. Bhavik Enterprises Limited 1105, 11th floor, DLH Park, S.V. Road, MTNL Gorgaon West, Mumbai Suburban, Maharashtra, 400062 | Maharashtra | 27AADCB5606P1Z D | July 01,2017 Latest amended certificate dated: March 19, 2025 | 820279798/PS Ward/Commercial II issued by Labour Department, Mumbai | Registration certificate Under the Maharashtra Shop and Establishment Act, 2017 | Issued on March 30, 2023 valid till cancelled | |
| 6. | Ground, Gala No. 14, Saraf Udyog Bhavan, Chincholi Bunder Road, Malad West, Mumbai Suburban, Maharashtra, 400064 | | | | | Application Number: 890962719/PN Ward/Commercial II | Intimation Under Maharashtra shops and Establishments, Rules 2018 | Certificate dated March 31, 2025 valid till cancelled |
| 7. | Ground, Gala No. 1 3 4 5 Bldg No.9, Agrwal Udyog Nagar, Waliv, Vasai East, Palghar, Maharashtra, 401205 | | | | | Receipt Number: 251370031988076 6 Application Number: 103311112503 | Intimation Under Maharashtra shops and Establishments, Rules 2018 | Certificate dated March 22, 2025 valid till cancelled |
| 8. | Ground, Gala No 13, 14, 15, Rajmilan Rajtilak Chs Ltd, Gokhiware, Vasai East, Palghar, Maharashtra, 401208 | | | | | Receipt Number: 251370031988182 3 Application Number: 103341752503 | Intimation Under Maharashtra shops and Establishments, Rules 2018 | Certificate dated March 22, 2025 valid till cancelled |

| | | | | | | | |
|-----|---|--|--|--|--|---|---|
| 9. | Ground, Gala No 4, Vinayak Industrial Estate, Sativali, Vasai East, Palghar, Maharashtra, 401208 | | | | Receipt Number: 2513700319889760 Application Number: 103433322503 | Intimation Under Maharashtra shops and Establishments, Rules 2018 | Certificate dated March 25, 2025 valid till cancelled |
| 10. | Pritesh Compound Building No. A6 Gala No 02, Shree Ram Warehouse & Transport, Dapoda Road, Val Village, Bhiwandi, Thane, Maharashtra, 421302 | | | | Not applicable since the premise is a rented warehouse | | |
| 11. | Ground, Pritesh Compound Building B2 Gala 6 & 7 And B8 Gala 3 & 4, Shree Ram Warehouse & Transport, Mankoli Anjurphata Road, Val, Bhiwandi, Thane, Maharashtra, 421302 | | | | Not applicable since the premise is a rented warehouse | | |
| 12. | Ground Floor, Suvey No 65/3, Prajneel Warehousing Management Pvt Ltd, Gavhanphata Chirner Road, Opp TG Terminal Belodkar Village Uran, Veshvi Village, Navi Mumbai, Raigad, Maharashtra, 400702 | | | | Not applicable since the premise is a rented warehouse | | |
| 13. | Ground Floor, Survery No.34/1/B/A, M/s. Prajneel Management Private Limited, Ransai Dam Road, Near Sarveshwar | | | | Not applicable since the premise is a rented warehouse | | |

| | | | | | | | |
|-----|---|--------------------------------|------------------|--|--|--|---|
| | CFS, Dighode Urban, Pahi, Raigad, Maharashtra-410206 | | | | | | |
| 14. | Ground Floor, Survey No.9/A & others, M/s. Prajneel Management Private Limited, Chimer Road, Veshvi Village Uran, Opp TG Terminal, Veshvi Village urban, Pahi, Raigad, Maharashtra-410206 | | | | Not applicable since the premise is a rented warehouse | | |
| 15. | Ground Floor, Survey No.10/7, 41/5,41/8, Nasda Infra Private Limited, Chirner Road, Urankalambusare, Raigad, Maharashtra-410206 | | | | Not applicable since the premise is a rented warehouse | | |
| 16. | Ground Floor, Gala No. 3,4,5,6,7 and 8 Bldg.110, Indian Compound, Dapode Road, Gundwali, Bhiwandi, Thane, Maharashtra-421302 | | | | Not applicable since the premise is a rented warehouse | | |
| 17. | M/s. Bhavik Enterprises Limited Ground 49, Jaykar Smruti, Aaray Road, Goregaon West, Mumbai, Maharashtra-400062 | Maharashtra | 27AADCB5606P2Z C | March 08, 2021 Latest Amended Certificate dated: March 25, 2021 | Application Number: 890962721/PS Ward/Commercial II | Intimation Under Maharashtra shops and Establishments, Rules 2018 | Certificate dated March 31, 2025 valid till cancelled |
| 18. | M/s. Bhavik Enterprises Limited Ground G-8, 16, 17, 18, Chirag industrial Complex, | Dadra and Nagar Haveli and Diu | 26AADCB5606P3Z D | August 08, 2020 Latest amended Certificate dated | Application Number: SH00965 dated March 29, 2025 | Application for Shop Act under The Gujarat Shops and Establishment Act, 1948 | Pending |

| | | | | | | | |
|-----|--|--|--|--------------|--|--|---------|
| | Somnath Road, Golden Industrial Area, Dabhel, Daman, Dadra and Nagar Haveli and Daman and Diu, 396210 | | | May 17, 2023 | | | |
| 19. | Ground, G 1, Pramukh Industrial Estate, Survey No 245/1, Village Dadra, Dadra And Nagar Haveli, Dadra And Nagar Haveli And Daman And Diu, 396230 | | | | Application Number: SH00973 dated March 29, 2025 | Application for Shop Act under The Gujarat Shops and Establishment Act, 1948 | Pending |

Other Approvals:

| S. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|--------|--|--|---|---|--------------------|----------------------|
| 1. | Import Export Code (IEC) | M/s. Bhavik Enterprises Limited 49 Jaykar Smruti, Aarey Road, Goregaon West Mumbai, Maharashtra-400062 | 398020868 | Ministry of Commerce and Industry Directorate General of Foreign Trade, Mumbai | July 28, 1998 | Valid till Cancelled |
| 2. | Registration Certificate for importer (Under Rule-13(2) of the Plastic Waste Management Rules, 2016) | M/s. Bhavik Enterprises Limited 49 Jaykar Smruti Aarey Road, Goregaon West Mumbai | Registration Number: IM-29-000-09-AADCBS606P-23 | Central Pollution Control Board, Ministry of Environment, Forest and Climate Change, Government of India, Delhi | September 29, 2023 | Valid till Cancelled |
| 3. | Fire NOC | M/s. Bhavik Enterprises Limited 1105, DLH Parks, S.V. Road, Goregaon (West), Mumbai, Maharashtra-400062 | Certificate No. FB/HR/WS/675 | Municipal Corporation of Greater Mumbai, Mumbai Fire Brigade | November 03, 2010 | Valid till Cancelled |
| 4. | Scope Certificate Under Global Recycled Standard (GRS) Version 4.0 | M/s. Bhavik Enterprises Limited Gala No. 13, 14, 15, Rajmilan Rajtilak CHS Ltd. Gokhi ware, Chinchapada, Vasai (E) Palghar, Maharashtra | Certificate No.: CU1309144GRS-2024-00030275 Textile Exchange-ID (TE-ID): TE-00107459 License Number: CB-CUI-1309144 | CU Inspections & Certifications India Pvt. Ltd. | March 22, 2024 | March 21, 2026 |

| S. No. | Description | Address of Premises | Registration Number | Issuing Authority | Date of issue | Date of Expiry |
|--------|---|---|--------------------------------|--|-------------------|----------------------|
| 5. | LEI Certificate | M/s. Bhavik Enterprises Limited D-720, 7 th Floor, Neelkanth Business Park, Vidhyavihar West, Mumbai, Maharashtra- 400086 | 335800JKP8V9FKY1DI87 | Legal Entity Identifier India Limited | September 07,2018 | August 10, 2025 |
| 6. | ISO 9001:2015 (Quality Management System) | M/s. Bhavik Enterprises Limited 1105, DLH Park, Opposite MTNL, S.V Road, Goregaon West, Mumbai, Maharashtra-400062 | Certificate Number: UK-02-8745 | United Kingdom Accreditation Forum Certification Limited | June 01,2024 | May 31, 2027 |
| 7. | Registration with Employees State Insurance Corporation | M/s. Bhavik Enterprises Limited 1105, DLH Park, Opposite MTNL, S.V Road, Goregaon West, Mumbai, Maharashtra-400062 | 35001030600001099 | Employees State Insurance Corporation, Mumbai | April 09, 2024 | Valid Till Cancelled |

INTELLECTUAL PROPERTY

Trademarks registered/Objected/Abandoned in the name of our company

| S. No | Brand Name/Logo Trademark | Class | Application number and Date | Owner | Authority | Current Status |
|-------|---|-------|-------------------------------|--------------------------------|------------------------------|----------------|
| 1. | DEVICE "BHAVIK ENTERPRISES LTD"  BHAVIK ENTERPRISES LTD. | 1 | 6428365 Dated May 11, 2024 | M/s.Bhavik Enterprises Limited | Trade Marks Registry, Mumbai | Objected |

DOMAIN NAME

| S. No | Domain Name and ID | Registry Domain ID | Registrant Name And IANA ID | Creation Date | Registry Expiry Date |
|-------|---|--|--|-------------------|----------------------|
| 1. | https://bhavikenterprises.com/ | Registry Domain ID: 1531939449_DOMAIN_CM-VRSN | Registrar: PDR Ltd. d/b/a PublicDomainRegistry.com Registrar IANA ID: 303 | December 08, 2008 | December 08, 2025 |

In addition to above licenses and approvals and except as stated in this chapter, it is hereby mentioned that no application has been made for license / approvals required by the Company and no approval is pending in respect of any such application made with any of the authorities.

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

Our Board of Directors have *vide* resolution dated March 03, 2025 authorized the Offer, subject to the approval by the shareholders of our Company under Section 28 and Section 62(1)(c) of the Companies Act, 2013.

The shareholders have authorized the Offer, by passing a Special Resolution at the Extra Ordinary General Meeting held on March 05, 2025 in accordance with the provisions of Section 28 and Section 62(1)(c) of the Companies Act, 2013.

The Selling Shareholders have confirmed and authorized their participation in the Offer for Sale in relation to the Offered Shares, as set out below:

| Name of the Selling Shareholders | Type | Date of Authorization Letter | Equity Shares of face value of ₹ 10 each held as of date of the DP | Equity Shares of face value of ₹ 10 each offered by way of Offer for Sale | % of the pre Offer paid-up Equity Share capital |
|----------------------------------|----------|------------------------------|--|---|---|
| Mr. Mukesh Natverlal Thakkar | Promoter | March 21, 2025 | 42,24,000 | 3,00,000 | 26.64% |
| Mr. Bhavik Mukesh Thakkar | Promoter | March 21, 2025 | 24,76,500 | 3,00,000 | 15.62% |
| Ms. Purnima Mukesh Thakkar | Promoter | March 21, 2025 | 90,84,000 | 4,00,000 | 57.28% |

The Selling Shareholders confirms that their respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with Regulation 230(1)(f) and 230(1)(g) of the SEBI ICDR (Amendment) Regulations to the extent applicable to them, as on the date of this Draft Prospectus.

The Company has obtained approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of equity shares on the BSE SME. BSE is the designated stock exchange.

PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

As per Regulation 228 of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company satisfies the following eligibility conditions on which the specified securities are proposed to be listed:

- Our Company, promoters, selling shareholders, members of the promoter group, directors, are not debarred or prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the Board or any securities market regulator in any other jurisdiction or any other authority/court as on the date of this Draft Prospectus.
- The listing of any securities of our Company has never been refused at any time by any of the stock exchanges in India.
- None of the companies with which our Promoters and Directors are associated with as promoters, directors or persons in control have been debarred from accessing capital markets under any order or direction passed by SEBI or any other authorities.
- Our Company, Promoters or Directors have not been declared as willful defaulters by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters offered by the RBI.
- Our Promoters or Directors have not been declared as fugitive economic offenders under section 12 of the Fugitive Economic Offenders Act, 2018.
- There are no outstanding convertible securities or any other right which would entitle any person with any option to receive equity shares of the issuer.

All the Equity Shares are fully paid up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Prospectus.

DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET

None of our Directors are associated with the securities market related business and there has been no outstanding action initiated by SEBI against them in the five years preceding the date of this Draft Prospectus.

COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company, Selling Shareholders, our Promoters and Promoter Group is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of this Draft Prospectus.

ELIGIBILITY FOR THE OFFER

Our Company is an “Unlisted Issuer” in terms of the SEBI ICDR Regulations; and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

This Offer is being made in terms of Regulation 229(2) of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, whereby, an issuer whose post Offer paid up capital is more than 10 (ten) crores rupees and up to 25 (twenty-five) crores, shall offer shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the BSE SME).

Selling Shareholders have confirmed that she has held her portion of offered shares for a period of at least one year prior to the date of filing of this Draft Prospectus and that it is in compliance with the SEBI ICDR Regulations as amended and are eligible for being offered in the Offer for sale.

As per Regulation 229 (3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of BSE SME in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

- Our Company was incorporated on September 15, 2008, under the provisions of Companies Act, 1956 with the Registrar of Companies, Mumbai. Hence, our Company is in existence for a period of 16 years on the date of filing of this Draft Prospectus with BSE.
- As on the date of this Draft Prospectus, our Company has a total paid-up capital of ₹1,585.80 Lakhs comprising of 1,58,58,009 Equity Shares of ₹10/- each and the Post Offer paid-up Capital will be ₹2035.80 Lakhs comprising 2,03,58,009 Equity Shares which shall be below ₹25 crores.
- Based on the Restated Financial Statements, Company’s net worth for the stub period ended December 31, 2024 and for the 3 preceding financial years preceding the application date is given below and it has Net worth of at least ₹1 crore for 2 preceding full financial years:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Share Capital | 528.60 | 528.60 | 528.60 |
| Add: Reserves and surplus | 8,705.00 | 7,915.88 | 6,359.90 |
| Net worth | 9,233.60 | 8,444.48 | 6,888.51 |

- Based on the Restated Financial Statements, Company’s Net Tangible Assets and for the full financial year ended March 31, 2024 was more than ₹3 Crores and the working is given below:

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2024 |
|----------------------------|-----------------------------------|
| Net Worth | 9,233.60 |
| Less: Intangible Assets | - |
| Net Tangible Assets | 9,233.60 |

- The Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

(₹ in Lakhs)

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|-------------|-----------------------------------|-----------------------------------|-----------------------------------|
|-------------|-----------------------------------|-----------------------------------|-----------------------------------|

| | | | |
|--------------------------|---------------|----------------|---------------|
| Profit Before Tax | 1,065.70 | 2,086.89 | 910.34 |
| Add: Finance Cost | 19.08 | 34.18 | 11.95 |
| Add: Depreciation | 20.34 | 7.23 | 10.34 |
| Less: Other Income | (622.40) | (381.66) | (376.12) |
| Operating Profits | 482.72 | 1746.64 | 556.51 |

- f) The Leverage ratio (Total Debts to Equity) of the Company as on December 31, 2024 was less than the limit of 3:1. The working is given below:

(₹ in Lakhs)

| Particulars | For the Period ended on December 31, 2024 |
|---------------------------------|---|
| Share Capital | 528.60 |
| Reserves and surplus | 9,113.39 |
| Networth (A) | 9,641.99 |
| Long Term borrowings | - |
| Short Term borrowings | - |
| Total Borrowings (B) | - |
| Leverage Ratio (C) = B/A | - |

- g) There has been no regulatory action of suspension of trading against the promoter(s) or companies promoted by the promoters by any stock Exchange having nationwide trading terminals.
- h) None of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of compulsory delisted companies by the Exchange. Accordingly, there is no applicability of compulsory delisting is attracted and none of our Promoter(s) or directors have been promoter(s) or directors (other than independent directors) of companies that are suspended from trading on account of non-compliance.
- i) None of our directors are disqualified/ debarred by any of the Regulatory Authority.
- j) There are no pending defaults in respect of payment of interest and/or principal to the debenture/ bond/ fixed deposit holders by our Company, promoters/ promoting company(ies), Subsidiary Companies.
- k) Our Company confirms that there has not been any change in its name in last 1 year.
- l) Other Disclosures:
- We have a functional website: <https://bhavikenterprises.com/>
 - 100% of Equity Shares held by the Promoters is in dematerialised form.
 - Our company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
 - There has been no change in the Promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
 - Our composition of the board is in compliance with the requirements of Companies Act, 2013.
 - The Net worth computation is computed as per the definition given in SEBI (ICDR) Regulations.
 - Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
 - Our Company has not been referred to the National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016.
 - There is no winding up petition against the company, which has been accepted by the National Company Law Tribunal (NCLT).
 - No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

As per Regulation 229 (4) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In case of an issuer, which had been a proprietorship or a partnership firm or a limited liability partnership before conversion to a company or body corporate, such issuer may make an initial public offer only if the issuer company has been in existence for at least one full financial year before filing of draft offer document”: **Not Applicable**

As per Regulation 229 (5) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“In cases where there is a complete change of promoter of the issuer or there are new promoter(s) of the issuer who have acquired more than fifty per cent of the shareholding of the issuer, the issuer shall file draft offer document only after a period of one year from the date of such final change(s)”: **Not Applicable**

As per Regulation 229 (6) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

“An issuer may make an initial public offer, only if the issuer had minimum operating profits (earnings before interest, depreciation and tax) of ₹1 crore from operations for at least two out of the three previous financial years”

Our Company confirms that it has operating profits (earnings before interest, depreciation and tax) of ₹1 Crore from operations for at least two out of three previous financial years preceding the application date as per the Restated Financial Statements.

(₹ in Lakhs)

| Particulars | March 31, 2024 | March 31, 2023 | March 31, 2022 |
|---|----------------|-----------------|----------------|
| Net Profit before Tax | 1,065.70 | 2,086.89 | 910.34 |
| Add: Finance Cost | 19.08 | 34.18 | 11.95 |
| Add: Depreciation and Amortisation Expenses | 20.34 | 7.23 | 10.34 |
| Less: Other Income | (622.40) | (381.66) | (376.12) |
| EBITDA | 482.72 | 1,746.64 | 556.51 |

As per Regulation 230 (1) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, our Company has ensured that:

- a) The Draft Prospectus has been filed with BSE and our Company has made an application to BSE for listing of its Equity Shares on the SME platform of BSE. BSE is the Designated Stock Exchange.
- b) Our Company has entered into an agreement dated November 12, 2024 with NSDL and agreement dated October 11, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be offered.
- c) The entire pre-Offered capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be offered pursuant to this IPO are fully paid-up.
- d) The entire Equity Shares held by the Promoters is in the dematerialization form.
- e) The fund requirements set out for the Objects of the Offer are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Offer as required under the SEBI ICDR Regulations. For details, please refer the chapter “Objects of the Offer” on page 78 of this Draft Prospectus.
- f) The size of offer for sale by selling shareholders shall not exceed twenty per cent of the total offer size;
- g) The shares being offered for sale by selling shareholders shall not exceed fifty per cent of such selling shareholders’ pre-offer shareholding on a fully diluted basis:
- h) Objects of the Offer is not consist of repayment of loan taken from promoters, promoter group or any related party, from the offer proceeds, directly or indirectly- Not Applicable

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (1)(f)(g) and 230 (2) of the SEBI ICDR (Amendment) Regulations, 2025 to the extent applicable.

We further confirm that:

1. In accordance with Regulation 245 (1) and (2) of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, the offer documents shall contain the following:
 - a. All material disclosures which are true and adequate so as to enable the applicants to take an informed investment decision;
 - b. Disclosures specified in the Companies Act, 2013;
 - c. Disclosures specified in **Part A of Schedule VI**;
 - d. Details pertaining to Employees' Provident Fund and Employee State Insurance Corporation;
 - e. Site visit report of issuer prepared by the lead manager(s) is made available as a material document for inspection; and
 - f. Fees of Lead Manager.
2. In accordance with Regulation 246 of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, the Lead Manager shall ensure that the Issuer shall file copy of the Draft Prospectus with SEBI along with relevant documents as required at the time of filing the Prospectus to SEBI.
3. In accordance with Regulation 260 of the SEBI ICDR Regulations, this Offer is 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite at least 15% of the total offer size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 59 of this Draft Prospectus.
4. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018 we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in the Offer.
5. In accordance with Regulation 268 of the SEBI ICDR Regulations and SEBI ICDR (Amendment) Regulations, 2025, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to two hundred (200), otherwise, the entire application money will be unblocked forthwith. If such money is not unblocked within four (4) days from the date our Company becomes liable to unblock it, then our Company and every officer in default shall, on and from expiry of fourth day, be liable to unblock such application money with interest as prescribed under the SEBI ICDR Regulations, and amendments thereto, the Companies Act 2013 and applicable laws.

COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI ICDR REGULATIONS AND AMENDMENTS THERETO

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI ICDR Regulations. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI ICDR Regulations, with respect to the Offer.

DISCLAIMER CLAUSE OF SEBI

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

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT

INFORMATION IN THIS OFFER DOCUMENT AND THE SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THE OFFER DOCUMENT IN RELATION TO ITSLEF FOR ITS RESPECTIVE PORTION OF OFFERED SHARES. THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, SMART HORIZON CAPITAL ADVISORS PRIVATE LIMITED (FORMERLY KNOWN AS SHRENI CAPITAL ADVISORS PRIVATE LIMITED) HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE ISSUER FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THIS OFFER DOCUMENT.

Note: All legal requirements pertaining to the Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of section 26, 28, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

DISCLAIMER CLAUSE OF THE BSE

As required, a copy of the Draft Prospectus shall be submitted to the BSE SME. The Disclaimer Clause as intimated by the BSE SME to us, post scrutiny of the Draft Prospectus, shall be included in the Prospectus prior to the filing with RoC.

DISCLAIMER FROM OUR COMPANY, SELLING SHAREHOLDERS AND THE LEAD MANAGER

Our Company, the Selling Shareholders and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, <https://bhavikenterprises.com/> or the website of any affiliate of our Company, would be doing so at his or her own risk.

The Lead Manager accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriter and our Company and Selling Shareholders and Market Maker Agreement entered into among Market Maker and our Company.

All information shall be made available by our Company, the Selling Shareholders and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres etc.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company, the Selling Shareholders and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited) is not an associate of the Company and is eligible to be appointed as the Lead Manager in this Offer, under SEBI MB Regulations.

Investors who apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Selling shareholders and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Neither our Company, the Selling Shareholders nor Lead Manager is liable for any failure in (i) uploading the Applications due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Application Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Further, the selling shareholders will be severally responsible for the respective statements confirmed or undertaken by it in this Draft Prospectus in relation to itself and its respective portion of the offered shares.

Investors are advised to ensure that any application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India including Indian nationals resident in India (who are not minors, except through their legal guardian), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. This Draft Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and the Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company and the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

No person outside India is eligible to apply for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been, and will not be, registered under the U.S. Securities Act and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and accordingly, the Equity Shares are being offered and sold (i) within the United States solely to persons who are reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act) in transactions exempt from the registration requirements of the U.S. Securities Act, and (ii) outside the United States in “offshore transactions” as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Applicants are advised to ensure that any application from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law.

LISTING

The Equity Shares issued through this Draft Prospectus are proposed to be listed on BSE SME. Application have been made to BSE SME for obtaining permission for listing of the Equity Shares being issued and sold in the Offer on its BSE SME after the allotment in the Offer. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer.

Our company has obtained In-principle approval from BSE vide letter dated [●] to use name of BSE in the Prospectus for listing of equity shares on BSE SME.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME the Company shall unblock, without interest, all moneys received from the applicants in pursuance of the Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within three (3) Working Days of the Offer Closing Date or such period as may be prescribed by SEBI. The Selling Shareholders, confirms that it shall extend reasonable support and co-operation (to the extent of its portion of the Offered Shares) as required by law for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares on the Stock Exchanges within three Working Days from the Offer Closing Date, or within such other period as may be prescribed

If our Company does not allot Equity Shares pursuant to the Offer within such timeline as prescribed by SEBI, it shall repay without interest all monies received from applicants, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period in accordance with applicable law.

CONSENTS

Consents in writing of: (a) The Directors, the Promoters, the Selling Shareholders, the Chief Financial Officer, the Company Secretary & Compliance Officer, Senior Management Personnel, the Statutory and Peer Review Auditors; and (b) the Lead Manager, the Registrar to the Offer, the Legal Advisors to the Offer, Bankers to the Offer⁽¹⁾, Share Escrow Agent⁽¹⁾, Bankers to the Company, Market Maker, Underwriters, D & B India and Monitoring Agency⁽¹⁾ to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under the Companies Act, 2013.

⁽¹⁾ The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.

EXPERT OPINION

Except as disclosed below, our Company has not obtained any expert opinions in connection with this Draft Prospectus:

Our Company has received written consent dated February 01, 2025 from our Statutory and Peer Reviewed Auditors, M/s. M. Parashar & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Prospectus, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 and in respect of their (a) examination report dated April 18, 2025, on the Restated Financial Statements, and (b) report dated April 12, 2025 on the statement of special tax benefits.

Such consent has not been withdrawn as on the date of this Draft Prospectus. However, the term “expert” and “consent” shall not be construed to mean an “expert” and “consent” as defined under the U.S. Securities Act.

PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS

We have not made any rights to the public and public issues in the past, and we are an “Unlisted Company” in terms of the SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations.

COMMISSION AND BROKERAGE PAID ON PREVIOUS ISSUES OF OUR EQUITY SHARES IN LAST FIVE YEARS

Since this is an Initial Public Offer of 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 the Equity Shares since inception of our Company.

CAPITAL ISSUES DURING THE LAST THREE YEARS BY OUR COMPANY, LISTED GROUP COMPANIES, SUBSIDIARIES & ASSOCIATES OF OUR COMPANY

Except as disclosed in Chapter titled “*Capital Structure*” on page 67 of this Draft Prospectus, our Company has not made any capital offer during the previous three years.

For details in relation to our group companies, please see chapter titled “*Our Group Company*” on page 189 of Draft Prospectus. Except Griffon Securities Private Limited, we do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS

Except as stated in the chapter titled “*Capital Structure*” beginning on page 67 we have not made any previous rights and / or public issues during the last five (5) years and are an “Unlisted Issuer” in terms of SEBI ICDR Regulations and this Offer is an “Initial Public Offer” in terms of the SEBI ICDR Regulations, the relevant data regarding performance vis-à-vis objects is not available with the Company.

For details in relation to our group companies, please see chapter titled “Our Group Company” on page 189 of Draft Prospectus. Except Griffon Securities Private Limited, we do not have any Group Company or Subsidiary or Associate as on date of this Draft Prospectus.

PRICE INFORMATION OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Price information of past issues (during the current Financial Year and two Financial Years preceding the current Financial Year) handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited):

| Sr. No. | Issuer name | Issue size (₹ Crores) | Issue price (Rs.) | Listing Date | Opening price on Listing Date (in Rs.) | +/- % change in closing price, [+/- % change in closing benchmark] - 30 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 90 th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark] - 180 th calendar days from listing |
|-----------------------------|-----------------------------------|-----------------------|-------------------|-------------------|--|--|--|---|
| Mainboard IPO Issues | | | | | | | | |
| - | - | - | - | - | - | - | - | - |
| SME IPO Issues | | | | | | | | |
| 1. | Rikhav Securities Limited | 88.82 | 86.00 | January 22, 2025 | 163.40 | +2.97% [-1.19%] | -14.53% [+3.73%] | - |
| 2. | Maxvolt Energy Industries Limited | 54.00 | 180.00 | February 19, 2025 | 180.00 | -5.92% [+1.12%] | - | - |
| 3. | Beezaasan Explotech Limited | 59.93 | 175.00 | March 03, 2025 | 146.00 | 0.00% [+4.67%] | - | - |
| 4. | Desco Infratech Limited | 30.75 | 150 | April 01, 2025 | 160.00 | - | - | - |

Source: www.bseindia.com / www.nseindia.com

Notes:

1. The BSE SENSEX and CNX NIFTY are considered as the Benchmark Index.
2. Price on BSE/NSE are considered for all the above calculations.
3. In case 30th, 90th and 180th day is not a trading day, closing price of the previous trading day has been considered.
4. In case 30th, 90th and 180th day, scripts are not traded then the last trading price has been considered.
5. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the Lead Manager. Hence, disclosure pertaining to recent 10 issues handled by the lead manager are provided.

Summary statement of price information of past issues handled by Smart Horizon Capital Advisors Private Limited (Formerly known as Shreni Capital Advisors Private Limited):

| Financial Year | Total no. of IPOs | Total funds raised (₹ Crores) | Nos. of IPOs trading at discount on as on 30 th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30 th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180 th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180 th calendar days from listing date | | |
|------------------------|--------------------|-------------------------------|--|-------------------|---------------|---|------------------|---------------|--|------------------|---------------|---|------------------|---------------|
| | | | Over 50% | Between 25% - 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% |
| 2025-2026 [@] | 1 [#] | 30.75 | - | - | - | - | - | - | - | - | - | - | - | - |
| 2024-2025 [*] | 3 ^{&} | 202.75 | - | - | 1 | - | - | 1 | - | - | - | - | - | - |

| Financial Year | Total no. of IPOs | Total funds raised (₹ Crores) | Nos. of IPOs trading at discount on as on 30 th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30 th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180 th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180 th calendar days from listing date | | |
|----------------|-------------------|-------------------------------|--|-------------------|---------------|---|------------------|---------------|--|------------------|---------------|---|------------------|---------------|
| | | | Over 50% | Between 25% - 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% | Over 50% | Between 25%- 50% | Less than 25% |
| 2023-2024 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

@The script of Desco Infratech Limited has not completed 180 days from the date of listing.

& The script of Desco Infratech Limited was listed on April 01, 2025.

*The script of Rikhav Securities Limited, Maxvolt Energy Industries Limited and Beezaasan Explotech Limited has not completed 180 days from the date of listing.

& The script of Rikhav Securities Limited, Maxvolt Energy Industries Limited and Beezaasan Explotech Limited was listed on January 22, 2025, February 19, 2025 and March 03, 2025.

TRACK RECORD OF PAST ISSUES HANDLED BY LEAD MANAGER

For details regarding track record of the Lead Manager to the Offer as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the Lead Manager at: www.shcapl.com

STOCK MARKET DATA OF EQUITY SHARES

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of three years from the date of listing and commencement of trading of the Equity Shares to enable the applicants to approach the Registrar to the Offer for redressal of their grievances. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Applicants.

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

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding Two Working Days from the Offer Closing Date, the Applicants shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding Two Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Master Circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent applicable) and SEBI Master Circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 (to the extent applicable).

In terms of SEBI circular SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and subject to applicable law, any ASBA applicants whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

Further, the investors shall be compensated by the SCSBs in accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in the events of delayed unblock for cancelled/withdrawn/deleted applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for nonallotted/partially-allotted applications, for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the LMs shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount for the period of such delay. Further, in terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

The following compensation mechanism has become applicable for investor grievances in relation to applications made through the UPI Mechanism for public offers opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

| Scenario | Compensation amount | Compensation period |
|--|---|---|
| Delayed unblock for cancelled / withdrawn / deleted applications | ₹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 on the bidding platform of the Stock Exchange till the date of actual unblock |
| Blocking of multiple amounts for the same Application made through the UPI Mechanism | 1. Instantly revoke the blocked funds other than the original application amount and 2. ₹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 multiple amounts were blocked till the date of actual unblock |
| Blocking more amount than the application Amount | 1. Instantly revoke the difference amount, i.e., the blocked amount less the application Amount and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher | From the date on which the funds to the excess of the application Amount were blocked till the date of actual unblock |
| Delayed unblock for non – Allotted / partially Allotted applications | ₹100 per day or 15% per annum of the application Amount, whichever is higher | From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock |

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Lead Manager shall be liable to compensate the investor ₹100 per day or 15% per annum of the application Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the Selling Shareholders, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares.

SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

For helpline details of the Lead Manager pursuant to the SEBI/HO/CFD/DIL-2/OW/P/2021/2481/1/M dated March 16, 2021, see “*General Information – Lead Manager*” on page 59.

Further, the Applicant shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances relating to Application submitted with Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Offer. The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Banks for addressing any clarifications or grievances of ASBA applicants. Our Company, the LM and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under the SEBI ICDR Regulations.

The Registrar to the Offer shall obtain the required information from the SCSBs and Sponsor Bank for addressing any clarifications or grievances of ASBA Applicants. Applicants can contact our Company Secretary and Compliance officer or the Registrar to the Offer in case of any pre-offer or post-offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

Further, the applicant shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned herein.

Our Company has also appointed Mr. Nikhil D Bhatt, Company Secretary and Compliance officer. For details, see “*General Information*” beginning on page 59.

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 7 (seven) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints within 30 days of receipt of complaint or upon receipt of satisfactory documents.

Our Company shall, after filing of this Draft Prospectus, obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and shall comply with SEBI circular bearing number CIR/OIAE/1/2014 dated December 18, 2014 in relation to redressal of investor grievances through SCORES.

Further, our Board by a resolution on March 06, 2025 has also constituted a Stakeholders’ Relationship Committee. The composition of the Stakeholders’ Relationship Committee is as follows:

| Name of the Directors | Nature of Directorship | Designation in Committee |
|-------------------------------|------------------------------------|---------------------------------|
| Ms. Jenny Vinod Kumar Gowadia | Non-Executive Independent Director | Chairman |
| Mr. Jayesh Jaysinh Kapadia | Non-Executive Independent Director | Member |
| Mr. Bhavik Mukesh Thakkar | Managing Director | Member |

For further details, please see the chapter titled “*Our Management*” beginning on page 169.

Our Company has also appointed Mr. Nikhil D Bhatt, as the Company Secretary and Compliance Officer for the Offer and she may be contacted at the Registered Office of our Company.

Mr. Nikhil D Bhatt

Office No. 1105, 11th Floor, DLH Park,
S V Road, Goregaon West, Malad West,
Mumbai- 400064, Maharashtra, India,

Tel No.: +91 9152815659

Email: investors@bhavikenterprises.com

Website: <https://bhavikenterprises.com/>

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

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

SECTION IX – OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being offered, Allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SEBI ICDR (Amendment) Regulations, SCRA, SCRR, the MoA, AoA, SEBI Listing Regulations, the terms of the Prospectus, the Abridged Prospectus, Application Form, the Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, offer for sale, and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other governmental, statutory or regulatory authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

THE OFFER

The Offer comprises a Fresh Offer by our Company and an Offer for Sale by the Selling Shareholders. The fees and expenses relating to the Offer shall be borne by each of our Company and the Selling Shareholders in the manner agreed to among our Company and the Selling Shareholders and in accordance with applicable law. The Selling Shareholders shall reimburse our Company for any expenses paid in relation to the Offer by the Company on behalf of the Selling Shareholders. For details in relation to the sharing of Offer expenses amongst our Company and the Selling Shareholders, see “*Objects of the Offer*” on page 78.

RANKING OF EQUITY SHARES

The Allottees upon Allotment of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered, allotted and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act 2013, the SEBI ICDR Regulations, SCRA, SCRR, our Memorandum of Associations and Articles of Association shall rank pari passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please see the section titled “*Main Provisions of the Articles of Association*” beginning on page 309 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, 2013, Dividend distribution policy of our Company, our Memorandum and Articles of Association and provisions of the SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard. Dividends, if any, declared by our Company after the date of Allotment (pursuant to the transfer of Equity Shares from the Offer for Sale), will be payable to the Applicants who have been allotted or transferred Equity Shares pursuant to the Offer, for the entire year, in accordance with applicable laws. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page 191 and 309, respectively of this Draft Prospectus.

FACE VALUE AND OFFER PRICE

The face value of each Equity Share is ₹10/- and the Offer Price is ₹140/- per Equity Share. The Offer Price is determined by our Company and Selling Shareholders, in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Offer Price*” beginning on page 85 of this Draft Prospectus.

At any given point of time, there shall be only one denomination of Equity Shares, unless otherwise permitted by law.

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 our Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to receive Annual Reports and notices to members;
3. Right to attend general meetings and exercise voting rights, unless prohibited by law;
4. Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
5. Right to receive offers for rights shares and be allotted bonus shares, if announced;
6. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
7. Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
8. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI LODR Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, see “*Main Provisions of the Articles of Association*” beginning on page 309 of this Draft Prospectus.

ALLOTMENT ONLY IN DEMATERIALIZED FORM

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Offer:

1. Tripartite agreement dated October 11, 2024 amongst our Company, CDSL and Bigshare Services Private Limited.
2. Tripartite agreement dated November 12, 2024 between our Company, NSDL and Bigshare Services Private Limited.

For details in relation to the Basis of Allotment, see “*Offer Procedure*” on page 285.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In accordance with Regulation 267 (2) of the SEBI ICDR (Amendment) Regulations, 2025, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹2 lakhs.”

The trading of the Equity Shares will happen in the minimum contract size of 1,000 Equity Shares and the same may be modified by the BSE SME from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 1,000 Equity Shares and is subject to a minimum allotment of 1,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

The trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form. Allotment of Equity Shares will be only in electronic form in multiples of 1,000 Equity Shares, subject to a minimum Allotment of 1,000 Equity Shares. For the method of Basis of Allotment, see “*Offer Procedure*” on page 285.

Further, in accordance with SEBI ICDR (Amendment) Regulations, 2025, the minimum application size in terms of number of specified securities shall not be less than ₹2.00 Lakh.

MINIMUM NUMBER OF ALLOTTEES

Further in accordance with the Regulation 268(1) of SEBI ICDR Regulation, 2018 read along with SEBI ICDR (Amendment) Regulations, 2025, the minimum number of allottees in this Offer shall be 200 shareholders. In case the minimum number of prospective allottees is less than 200, no allotment will be made pursuant to this Offer and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Offer.

JOINT HOLDERS

Subject to the provisions contained in our Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

JURISDICTION

The courts of Mumbai, Maharashtra, India will have exclusive jurisdiction in relation to this Offer.

The Equity Share 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 or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. 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 applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Applicants are advised to ensure that any Application from them does not exceed investment limits or the maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicant will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.

NOMINATION FACILITY TO THE INVESTOR

In accordance with Section 72 of the Companies Act, 2013, read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Applicant, along with other joint Applicants, may nominate any one person in whom, in the event of the death of the sole Applicant or in case of joint Applicant, the death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer or alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered and Corporate Office or with the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies 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 offer will be made only in dematerialised mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change their nomination, they are requested to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

Allotment of Equity Shares to successful Applicants will only be in the dematerialized form. Applicant will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchange.

WITHDRAWAL OF THE OFFER

Our Company in consultation with the Lead Manager and the Selling Shareholders, reserve the right not to proceed with the entire or portion of the Offer for any reason at any time after the Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-offer were published, within one day of the Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the offer. Further, the Stock Exchange shall be informed promptly in this regard by our Company. The Lead Manager, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Banks, in case of UPI Applicants, to unblock the bank accounts of the ASBA Applicants within one Working Day from the date of receipt of such notification. If our Company in consultation with the Lead Manager withdraws the Offer after the Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our Company shall file a fresh Draft Prospectus with BSE SME.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the BSE Limited, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC. 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.

OFFER PROGRAM

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

| Event | Indicative Date |
|---|-----------------------|
| Offer Opens on | [●] |
| Offer Closes on | [●] ⁽¹⁾⁽²⁾ |
| Finalization of Basis of Allotment with the Designated Stock Exchange | On or before [●] |
| Initiation of Refunds / unblocking of funds from ASBA Account* | On or before [●] |
| Credit of Equity Shares to demat account of the Allottees | On or before [●] |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or before [●] |

(1) Our Company in consultation with the LM, may consider closing the Offer Period for QIBs one day prior to the Offer Closing Date in accordance with the SEBI ICDR Regulations.

(2) UPI mandate end time and date shall be at 5:00 pm IST on Offer Closing Date, i.e. [●].

* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Offer Closing Date for cancelled/withdrawn/deleted ASBA Forms, the Applicants 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 two Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM and shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Applicant shall be compensated by the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, and the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable. The processing fees for applications made by UPI Applicants using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

The above timetable other than the Offer Closing Date, is indicative and does not constitute any obligation or liability on our Company, the Selling Shareholders or the LM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Offer Closing Date or such other time as prescribed by SEBI, the timetable may be subject to change due to various factors, such as extension of the Offer Period by our Company, in consultation with the LM or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirms that she shall extend reasonable co-operation in relation to the Offered Shares required by our Company and the LM for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Offer Closing Date or such other time as may be prescribed by SEBI. Submission of Applications

The processing fees for applications made by the UPI Applicants may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022. and SEBI Master Circular no. SEBI/HO/MIRSD/POD1/P/CIR/2023/70 dated May 17, 2023, each to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Offer Period (except for the Offer Closing Date). On the Offer Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Individual Investors who applies for minimum application size after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchanges. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Offer Closing Date, the Applicants are advised to submit their applications one day prior to the Offer Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Offer Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Offer Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

In terms of the UPI Circulars, in relation to the Offer, the Lead Manager will submit reports of compliance with T+3 listing timelines and activities, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding Two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding Two (2) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. SEBI is in the process of streamlining and reducing the post offer timeline for IPOs. Any circulars or notifications from SEBI after the date of this Draft Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change basis any revised SEBI circulars to this effect.

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100/- per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchange 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 two Working Days from the Offer 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 two Working Days from the Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The post offer LM shall be liable for compensating the Applicant at a uniform rate of ₹100/- per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/ 2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable. SEBI is in the process of streamlining and reducing the post offer timeline for IPOs. Any further notification from the SEBI after filing of this Draft Prospectus may result in changes in the timelines.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Offer closure time from the Offer Opening Date till the Offer Closing Date by obtaining the same from the Stock Exchange. The SCSB's shall unblock such applications by the closing hours of the Working Day.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full application Amount is not blocked by SCSBs or under the UPI Mechanism, as the case may be, would be rejected.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the (Offer) period disclosed in the Prospectus, for a minimum period of one (1) working days, subject to the Offer Period not exceeding ten (10) working days.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Individual Applicants can revise or withdraw their Applications prior to the Offer Closing Date. Except Allocation to Individual Investors, Allocation in the Offer 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.

Submission of Applications:

| Offer Closing Date* | |
|--|--|
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Individual Investors who applies for minimum application size. | Only between 10.00 a.m. and up to 5.00 p.m. IST |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Application Amount is up to ₹500,000) | Only between 10.00 a.m. and up to 4.00 p.m. IST |
| Submission of Electronic Applications (Syndicate Non-Individual Investor, Non-Individual Applications) | Only between 10.00 a.m. and up to 3.00 p.m. IST |
| Submission of Physical Applications (Bank ASBA) | Only between 10.00 a.m. and up to 1.00 p.m. IST |
| Submission of Physical Applications (Syndicate Non- Individual Applications, Non-Individual Applications where Application Amount is more than ₹500,000) | Only between 10.00 a.m. and up to 12.00 p.m. IST |

* UPI mandate and time and date shall be at 5:00 p.m. on Offer Closing Date

On Offer Closing Date, extension of time may be granted by the Stock Exchange only for uploading Applications received by Individual Investors, after taking into account the total number of Applications received and as reported by the LM to the Stock Exchange.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on a daily basis within 60 minutes of the Application closure time from the Offer Opening Date until the Offer 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 LM and the Registrar to the Offer on a daily basis.

It is clarified that applications not uploaded on the electronic bidding system or in respect of which the full Application Amount is not blocked by SCSBs, or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Applications on the Offer Closing Date, Applicants are advised to submit their applications one day prior to the Offer Closing Date, and in any case, no later than 1:00 pm IST on the Offer Closing Date. Any time mentioned in this Draft Prospectus is IST. Applicants are cautioned that, in the event a large number of Applications are received on the Offer Closing Date, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Offer. Applications will be accepted only during Monday to Friday (excluding any public holiday). None of our Company, the Promoter or any member of the Syndicate is liable for any failure in uploading the Applications due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Form, for a particular Applicant, the details as per the Application file received from the Stock Exchange shall be taken as the final data for the purpose of Allotment.

In case of any revision to the Offer Price, the Offer Period will be extended by at least three additional Working Days following such revision, subject to the Offer 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 Offer Period for a minimum of one Working Day, subject to the Offer Period not exceeding 10 Working Days. Any revision in the Price, and the revised Offer 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 LM and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks (“SCSBs”), other Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of a revision of the Price, the Application lot shall remain the same.

MINIMUM SUBSCRIPTION

This offer is not restricted to any minimum subscription level. This offer is 100% underwritten per Regulation 260(1) of SEBI ICDR Regulations.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the offer Document including devolvement of Underwriters, our Company shall forthwith refund the entire subscription amount received in accordance with applicable law including the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023. If there is a delay beyond Two days after our Company becomes liable to pay the amount, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum. In the event of an under-subscription in the Offer, Equity Shares offered pursuant to the Fresh Offer shall be allocated in the Offer prior to the Equity Shares offered pursuant to the Offer for Sale.

However, in case of under-subscription in the Offer, after meeting the minimum subscription requirement of 100% of the Fresh Offer, the balance subscription in the Offer will be met in the following order of priority: (i) through the sale of Offered Shares being offered by the Selling Shareholders in the Offer for Sale in a proportional manner; and (ii) through the issuance of balance part of the Fresh Offer.

The Selling Shareholders shall reimburse and only to the extent of the Equity Shares offered by the Selling Shareholders in the Offer, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholders shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholders in relation to its portion of the Offered Shares.

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 application law of such jurisdiction.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

There are no arrangements for disposal of odd lots since our Equity Shares will be traded in dematerialised form only and market lot for our Equity.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for the lock-in of the pre-offer capital of our Company, lock-in of the Promoters' minimum contribution as provided in "*Capital Structure*" beginning on page 67 of this Draft Prospectus and except as provided in our Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 309 of this Draft Prospectus.

NEW FINANCIAL INSTRUMENTS

As on the date of this Draft Prospectus, there are no outstanding warrants, new financial instruments or any rights, which would entitle the shareholders of our Company, including our Promoters, to acquire or receive any Equity Shares after the Offer. Further, our Company is not issuing any new financial instruments through this Offer.

ALLOTMENT OF SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, 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.

AS PER THE EXTENT GUIDELINES OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS OFFER

The current provisions of the Foreign Exchange Management (Transfer or offer 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 offer of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

MIGRATION TO MAIN BOARD

On Offer Closing Date, extension of time will be granted by Stock Exchange only for uploading Applications received by Individual Investors after taking into account the total number of Applications received and as reported by the Lead Manager to the Stock Exchange.

As per Regulation 280(2) of the SEBI ICDR Regulations read with SEBI ICDR (Amendment) Regulations, 2025, Where the post-issue paid up capital of the Company listed on the BSE SME is likely to increase beyond twenty five crore rupees by virtue of any further issue of capital by the Company by way of rights issue, preferential issue, bonus issue, etc. the Company shall migrate its equity shares listed on a SME Platform to the Main Board and seek listing of the equity shares proposed to be issued on the Main Board subject to the fulfilment of the eligibility criteria for listing of equity shares laid down by the Main Board:

- a) the shareholders have approved the migration by passing a special resolution through postal ballot wherein the votes cast by shareholders other than promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal;
- b) the Company has obtained an in principle approval from the Main Board for listing of its entire specified securities on it.

Provided further that where the post-offer paid-up capital pursuant to further issue of capital including by way of rights issue, preferential issue, bonus issue, is likely to increase beyond ₹25 crores, the Company may undertake further issuance of capital without migration from SME exchange to the main board, subject to the undertaking to comply with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable to companies listed on the main board of the stock exchange(s)."

If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores, the company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

As per BSE Circular dated November 24, 2023, our Company may migrate its securities from SME Platform of BSE Limited to main board platform of the BSE Limited:

| Eligibility Criteria | Details |
|---|--|
| Paid up capital and market capitalization | Paid-up capital of more than 10 Crores and Market Capitalisation should be minimum ₹25 Crores. (Market Capitalisation will be the product of the price (average of the weekly high and low of the closing price of the related shares quoted on the stock exchange during 3 (Three) months prior to the date of the application) and the post issue number of equity shares.) |
| Promoter holding | Promoter(s) shall be holding at least 20% of equity share capital of the company at the time of making application. |
| Financial Parameters | <ul style="list-style-type: none"> • The applicant company should have positive operating profit (earnings before interest, depreciation and tax) from operations for at least any 2 out of 3 financial years and has positive Profit after tax (PAT) in the immediate preceding Financial Year of making the migration application to Exchange • The applicant company should have a Net worth of at least ₹15 crores for 2 preceding full financial years |
| Track record of the company in terms of listing/regulatory actions, etc | The applicant company is listed on SME Exchange/ Platform having nationwide terminals for atleast 3 years. |
| Regulatory action | <ul style="list-style-type: none"> • No material regulatory action in the past 3 years like suspension of trading against the applicant company, promoters/promoter group by any stock Exchange having nationwide trading terminals. • No Debarment of company, promoters/promoter group, subsidiary company by SEBI. • No Disqualification/Debarment of directors of the company by any regulatory authority. • The applicant company has not received any winding up petition admitted by a NCLT |
| Public Shareholder | The applicant company shall have a minimum of 250 public shareholders as per the latest shareholding pattern. |
| Other parameters like No. of shareholders, utilization of funds | <ul style="list-style-type: none"> • No proceedings have been admitted under the Insolvency and Bankruptcy Code against the applicant company and Promoting companies. • No pending Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders by the applicant, promoters/promoter group /promoting company(ies), Subsidiary Companies. • The applicant company shall obtain a certificate from a credit rating agency registered with SEBI with respect to utilization of funds as per the stated objective pursuant to IPO and/or further funds raised by the company, if any post listing on SME platform. • The applicant company has no pending investor complaints. • Cooling off period of 2 months from the date the security has come out of trade-to-trade category or any other surveillance action. |

Notes:

1. Net worth definition to be considered as per definition in SEBI ICDR.
2. Company is required to submit Information Memorandum to the Exchange as prescribed in SEBI (ICDR) Regulations.

3. The application submitted to the Exchange for listing and mere fulfilling the eligibility criteria does not amount to grant of approval for listing.
4. If the documents and clarification received from the applicant company are not to the satisfaction of BSE, BSE has the right to close the application at any point of time without giving any reason thereof. Thereafter, the company can make fresh application as per the extant norms.
5. The Exchange may reject application at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange,

MARKET MAKING

The shares offered through this offer is proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Offer shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing of shares on BSE SME. For further details of the market making arrangement please refer the section titled “*General Information*” beginning on page 59 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

OFFER STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, read with SEBI ICDR (Amendment) Regulations, 2025, as amended from time to time, whereby, an issuer whose post offer paid up capital is more than ₹10 crores and up to ₹25 crores. The Company shall Offer equity shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the BSE SME). For further details regarding the salient features and terms of such an offer, please refer chapter titled “*Terms of the Offer*” and “*Offer Procedure*” beginning on page 272 and 285 respectively of this Draft Prospectus.

OFFER STRUCTURE

The Offer is of 55,00,000 Equity Shares for cash at a price of ₹140/- per Equity Share (including a share premium of ₹130/- per Equity Share) aggregating to ₹7,700 Lakhs comprising a Fresh Offer of 45,00,000 Equity Shares aggregating to ₹6,300 Lakhs and an Offer for Sale of 10,00,000 Equity Shares aggregating to ₹1,400 Lakhs by the Selling Shareholders.

The Offer comprises a reservation of 2,80,000 Equity Shares of face value of ₹10/- each for subscription by the designated Market Maker (“**the Market Maker Reservation Portion**”) and Net Offer to Public of 52,20,000 Equity Shares of face value of ₹10/- each (“**the Net Offer**”). The Offer and the Net Offer will constitute 27.02% and 25.64%, respectively of the post Offer paid-up equity share capital of the Company. The Offer is being made through the Fixed Price Process.

The Offer is being made through the Fixed Price Process.

| Particulars | Net Offer to Public | Market Maker Reservation Portion |
|---|--|----------------------------------|
| Number of Equity Shares available for allocation ⁽¹⁾ | 52,20,000 Equity Shares | 2,80,000 Equity Shares |
| Percentage of Offer Size available for Allocation | 94.91% of the Offer Size | 5.09% of the Offer Size |
| Basis of Allotment | Proportionate subject to minimum allotment of 2 lots and further allotment in multiples of 1,000 Equity Shares each. ⁽¹⁾ For further details please refer section explaining the Basis of Allotment in the GID. | Firm Allotment |
| Mode of Application | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Individual Investors (who applies for minimum application size) using Syndicate ASBA). | |
| Mode of Allotment | Compulsorily in dematerialised form. | |
| Minimum Application Size | <i>For Other than Individual Investors who applies for minimum application size:</i> Such number of Equity Shares in multiples of 1,000 Equity Shares of face value of ₹10/- each more than two lots. <i>For Individuals Investors who applies for minimum application size:</i> 2 lots such that the application size shall be above ₹2.00 lakhs in multiples of 1,000 Equity Shares | 2,80,000 Equity Shares |
| Maximum Application Size | <i>For Other than Individual Investors:</i> Such number of Equity Shares in multiples of 1,000 Equity Shares not exceeding the size of the Offer, subject to applicable limits to the Applicant. | 2,80,000 Equity Shares |

| | | |
|---------------------------------|--|---|
| | <p><i>For Individuals Investors who applies for minimum application size:</i></p> <p>Such number of Equity Shares in multiples of 1,000 Equity Shares subject to applicable limits to the Applicant.</p> | |
| Trading Lot | 1,000 Equity Shares | 1,000 Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI ICDR Regulations. |
| Who can Apply ⁽²⁾ | <p><i>For Other than Individual Investors:</i></p> <p>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><i>For Individuals Investors who applies for minimum application size:</i></p> <p>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p> | Market Maker |
| Terms of Payment ⁽³⁾ | The entire Application Amount will be payable at the time of submission of the Application Form. | |
| Application Lot Size | 1,000 Equity Share and in multiples of 1,000 Equity Shares thereafter | |

[^] As specified in SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, all the ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchange shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Individual Investors (who applies for minimum application size), QIBs, Non-Institutional Investors, and also for all modes through which the applications are processed.

⁽¹⁾ Since present Offer is a fixed price Offer, the allocation in the net Offer to the public category in terms of Regulation 253(3) of the SEBI ICDR Regulations, shall be made as follows:

- a. Minimum fifty percent to Individual Investors who applies for minimum application size; and
- b. Remaining to
 - i. individual applicants who applies for more than minimum application size; and
 - ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

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

Explanation - For the purpose of sub-regulation (3), If the category of individual investors who applies for minimum application size is entitled to more than fifty per cent. of the issue size on a proportionate basis, such individual investors shall be allocated that higher percentage.

⁽²⁾ In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

⁽³⁾ In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including Individual Investors applying through UPI mechanism) that are specified in the Application Form. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

This Offer is being made in terms of Chapter IX of the SEBI ICDR Regulations. For further details, please refer chapter titled “*Offer Procedure*” beginning on page 285 of this Draft Prospectus.

OFFER PROCEDURE

All Applicants should read the General Information Document for Investing in Public Offer (“**GID**”) prepared and issued in accordance with the SEBI circular no SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 & UPI Circulars which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the website of Stock Exchange(s), the Company and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment Instructions for ASBA Applicants; (v) issuance of Confirmation of Allocation Note (“**CAN**”) and Allotment in the Offer; (vi) price discovery and allocation; (vii) General Instructions (limited to instructions for completing the Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Application Form; (xi) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xii) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, has prescribed the allocation to each Individual Investors which shall be not less than 50% of the Net Offer who applies for minimum application size, The allotment to each Individual Investors (who applies for minimum application size) shall not be less than the minimum application size applied by such individual investors (who applies for minimum application size), subject to availability of Equity Shares in the Individual Investor Portion and the remaining available Equity Shares, shall be allocated to individual investors other than individual investors who applies for minimum application size and investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.

Further, SEBI through the notification no. SEBI/LAD-NRO/GN/2025/233 - SEBI ICDR (Amendment) Regulations, 2025 dated March 03, 2025 effective from the date of their publication in official gazette, our Company shall ensure that the minimum application size shall be two lots per application:

“Provided that the minimum application size shall be above ₹2.00 lakhs.”

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“**UPI**”) and consequent reduction in timelines for listing in a phased manner. SEBI vide the UPI Circulars, has introduced an alternate payment mechanism using UPI and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI mechanisms for RIIs applying through Designated Intermediaries have been made effective along with the process and timeline of T+6 days (“**UPI Phase I**”). The same was applicable until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with timeline of T+6 days will continue for a period of three months or launch of five main board public offers, whichever is later (“**UPI Phase II**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 and made effective on a voluntary basis for all issues opening on or after September 01, 2023 and on a mandatory basis for all issues opening on or after December 01, 2023, as may be prescribed by SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by SEBI from time to time. Please note that we may need to make appropriate changes in the Prospectus depending upon the prevailing conditions at the time of the opening of the Offer.

The LM shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. The provisions of these circulars are deemed to form part of this Draft Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

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 271 application monies are blocked in the bank accounts of investors (all categories). Accordingly, Stock Exchanges shall, for all categories of investors and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications only with a mandatory confirmation on the application monies blocked.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two (2) Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two (2) Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Additionally, SEBI vide its circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 has reduced the time period for refund of application monies from 15 days to four days.

Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

Further, the Company and the Lead Manager are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in this Offer.

Investors must ensure that their PAN is linked with Aadhar and are in compliance with the notification by the Central Board of Direct Taxes dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021.

Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicants' depository account, including DP ID, Client ID, PAN and UPI ID, for UPI Applicants using the UPI Mechanism, shall be treated as incomplete and will be rejected. However, they may get the Equity Share rematerialized subject to allotment of the equity shares in the Offer, subject to applicable laws.

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, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by IIs through intermediaries with the objective to reduce the time duration from public Offer closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Individual Investor would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public Offer closure to listing would continue to be six working day.

Phase II: This phase commenced on completion of Phase I, i.e., with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public offers, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the 272 current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Individual Investor through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public Offer closure to listing would continue to be six working days during this phase.

Phase III: Pursuant to SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, Phase III has been notified, and accordingly the revised timeline of T+3 days has been made applicable in two phases i.e., (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023. The Offer shall be undertaken pursuant to the processes and procedures as notified in the T+3 Circular, once Phase III becomes applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis).

Individual investors applying under the Non-Institutional Portion applying for more than ₹200,000 and up to ₹500,000, using the UPI Mechanism, shall provide their UPI ID in the Application Form for applying through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful applicants to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post – offer LM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one or more of the SCSBs as a Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Investors.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the LM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints shall be paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the LM.

FIXED PRICE OFFER PROCEDURE

The Offer is being made in compliance with the provisions of Chapter IX of SEBI ICDR Regulations through a Fixed Price Process wherein 50% of the Net Offer is allocated for Individual Investors and the balance shall be issued to individual applicants other than Individual Investors and other investors including Corporate Bodies or Institutions, QIBs and Non-Institutional Investors. However, if the aggregate demand from the Individual Investors is less than 50%, then the balance Equity Shares in that portion will be added to the non-individual investor portion issued to the remaining investors including QIBs and NIIs and vice-versa subject to valid Applications being received from them at or above the Offer Price.

Additionally, if the Individual Investors category is entitled to more than 50% on proportionate basis, the Individual Investors shall be allocated that higher percentage. However, the Application by an Applicant should not exceed the investment limits prescribed under the relevant regulations/statutory guidelines.

Subject to the valid Applications being received at an Offer Price, allocation to all categories in the Net Offer, shall be made on a proportionate basis, except for the Individual Investors Portion where Allotment to each Individual Investors shall not be less than the minimum lot, subject to availability of Equity Shares in Individual Investors Portion, and the remaining

available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription if any, in any category would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the LM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for UPI applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.

Electronic Registration of Applications

- The Designated Intermediary may register the Applications using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- On the Offer Closing Date, the Designated Intermediaries may upload the Applications till such time as may be permitted by the Stock Exchanges and as disclosed in the Prospectus.
- Only Applications that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Offer Period after which the Stock Exchange(s) send the application information to the Registrar to the Offer for further processing.

AVAILABILITY OF DRAFT PROSPECTUS, PROSPECTUS AND APPLICATION FORMS

Copies of the Application Form and the Abridged Prospectus will be available at the offices of the LM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange(s), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) day prior to the Offer Opening Date.

All Applicants (other than Applicants using the UPI mechanism) shall mandatorily participate in the Offer only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide bank account details and authorisation to block funds in the relevant space provided in the Application Form and the Application Forms that do not contain such details are liable to be rejected. Further Investors using UPI Mechanism for an application size of up to ₹5,00,000 may participate in the Offer through UPI by providing details in the relevant space provided in the Application Form and the Application Forms that do not contain the UPI ID are liable to be rejected. Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

| Category | Colour of Application Form |
|--|-----------------------------------|
| Resident Indians / Eligible NRIs applying on a non-repatriation basis (ASBA) | White* |
| Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA) | Blue* |

**Excluding Electronic Application Form.*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by UPI applicants (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

For UPI applicants using UPI mechanism, the Stock Exchanges shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI applicants for

blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI applicants, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Application entered in the Stock Exchanges bidding platform, and the liability to compensate UPI applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Banker to the Offer) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to an Offer. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Banker to the Offer for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the website of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Offer, shall submit a completed application form to any of the following intermediaries (Collectively called – 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 Offer and share transfer agent (“RTA”) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

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 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:

| | |
|--|---|
| For Applications submitted by Investors to SCSBs: | 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. |
| For applications submitted by investors to intermediaries other than SCSBs: | After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer. |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account. |

Stock exchange shall validate the electronic application details with depository’s records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the application details already uploaded.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Who Can Apply?

In addition to the category of Applicants set forth in the General Information Document, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

1. Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: —Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional investor's category;
10. Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
11. Foreign Venture Capital Investors registered with the SEBI;
12. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
13. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
14. Insurance Companies registered with Insurance Regulatory and Development Authority, India;
15. Provident Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;
16. Pension Funds with minimum corpus of ₹25 Crores and who are authorized under their constitution to hold and invest in equity shares;

17. National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
18. Insurance funds set up and managed by army, navy or air force of the Union of India;
19. Multilateral and bilateral development financial institution;
20. Eligible QFIs;
21. Insurance funds set up and managed by army, navy or air force of the Union of India;
22. Insurance funds set up and managed by the Department of Posts, India;
23. Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.
24. Applications not to be made by:
 - (a) Minors (except through their Guardians)
 - (b) Partnership firms or their nominations
 - (c) Foreign Nationals (except NRIs)
 - (d) Overseas Corporate Bodies

MAXIMUM AND MINIMUM APPLICATION SIZE

For Individual Investors (who applies for minimum application size)

The Application must be for a minimum of 2 lots of 1,000 Equity Shares each and in multiples of 1,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant is above ₹2,00,000. In case of revision of Applications, the Individual Investors have to ensure that the Application Price is above ₹2,00,000 and minimum 2 lots.

For Individual Investors who applies for more than minimum application size and other Investors (Non-Institutional Investors and QIBs)

The Application must be for a minimum of such number of Equity Shares that the Application Amount is more than the minimum application size and in multiples of 1,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Investors, who are individuals, have to ensure that the Application Amount is greater than minimum application size for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).

2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio). For applications where the proportionate allotment works out to less than 1,000 Equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 1,000 Equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
3. If the proportionate allotment to an applicant works out to a number that is not a multiple of 1,000 Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 1,000 Equity shares subject to a minimum allotment of 1,000 Equity shares.
4. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1,000 Equity shares, results in the actual allotment being higher than the shares issued, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
5. The above proportionate allotment of shares in an Offer that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - (a) As the individual investor category is entitled to more than fifty percent on proportionate basis, the individual investors shall be allocated that higher percentage.
 - (b) The balance net offer of shares to the public shall be made available for allotment to:
 - i. Individual applicants other than individual investors; and
 - ii. Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - (c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.
6. Individual Investors' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Stock Exchange. The Executive Director / Managing Director of Stock Exchange in addition to Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI ICDR Regulations.

PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTER, PROMOTER GROUP AND PERSONS RELATED TO PROMOTER/PROMOTER GROUP

The Lead Manager shall not be entitled to subscribe to this Offer in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the Lead Manager may subscribe to Equity Shares in the Offer, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis. The Promoters, Promoter Group, Lead Manager and any persons related to the Lead Manager (except Mutual Funds sponsored by entities related to the Lead Manager) cannot apply in the Offer.

APPLICATION BY MUTUAL FUNDS

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid-up share capital carrying voting rights.

APPLICATION BY HUFs

Applications by HUFs Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

APPLICATION BY ELIGIBLE NRIs

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCsB or should confirm/accept the UPI Mandate Request (in case of UPI applicants using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCsB or should confirm/accept the UPI Mandate Request (in case of UPI applicants applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. However, NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank where their account is UPI linked prior to submitting their application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-residents (blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents. (White in colour).

Participation by Eligible NRIs in the Offer shall be subject to the FEMA Non -Debt Instruments Rules. Only Applications accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

In accordance with the FEMA Non-Debt Instruments Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

For further details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 308 of this Draft Prospectus.

APPLICATION BY FPIs AND FIIs

In terms of the SEBI FPI Regulations, the investment in Equity Shares by a single FPI or an investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50% or common control) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Non-Debt Instruments Rules, the total holding by each FPI or an investor group shall be below 10% of the total paid -up Equity Share capital of our Company and the total holdings of all FPIs put together with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Non -Debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

Additionally, the aggregate foreign portfolio investment up to 49% of the paid -up capital on a fully diluted basis or the sectoral / statutory cap, whichever is lower, does not require Government approval or compliance of sectoral conditions as the case may be, if such investment does not result in transfer of ownership and control of the resident Indian company from resident Indian citizens or transfer of ownership or control to persons resident outside India. Other investments by a

person resident outside India will be subject to conditions of Government approval and compliance with sectoral conditions as laid down in these regulations.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason.

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for Offer procedure, as prescribed by SEBI from time to time.

A FPI may purchase or sell equity shares of an Indian company which is listed or to be listed on a recognized stock exchange in India, and/ or may purchase or sell securities other than equity instruments FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instrument is made by, or on behalf of it subject to, inter alia, the following conditions:

- (a) each offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

The FPIs who wish to participate in the Offer is advised to use the Application Form for non-residents.

Further, Applications received from FPIs bearing the same PAN will be treated as multiple Applications and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants which were issued in November 2019 to facilitate implementation of SEBI FPI Regulations (such structure "MIM Structure") provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, were required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the names of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications will be rejected.

APPLICATION BY SEBI REGISTERED AIF, VCF AND FVCI

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public issuing of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“IRDAI Investment Regulations”) are set forth below:

Equity shares of a company: the lower of 10%⁽¹⁾ of the investee company’s outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;

The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

(1) The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.

Insurer companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars Issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (“IRDA Investment Regulations”).

APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund

must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY BANKING COMPANIES

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

APPLICATIONS BY SCSBS

SCSBS participating in the Offer is required to comply with the terms of the SEBI circulars nos. CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013 respectively. Such SCSBS are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBS. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

The information set out above is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes to applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as specified in this Draft Prospectus and the Prospectus.

APPLICATION UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of Rs 250 million (subject to applicable laws) and pension funds with a minimum corpus of Rs 250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

OFFER PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)

Applicants in accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

METHOD AND PROCESS OF APPLICATIONS

The Designated Intermediaries shall accept applications from the Applicants during the Offer Period.

The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.

During the Offer Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.

The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Offer.

Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.

The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.

Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.

If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.

If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/ failure of the Offer or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Offer Account. In case of withdrawal/ failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

TERMS OF PAYMENT

The entire Offer price of ₹140/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the

Applicants. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Applicants.

PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Individual Investors shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offer 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 Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI ICDR Regulations, all the investors applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

Our company has entered into an Underwriting Agreement dated March 21, 2025.

A copy of Prospectus will be filed with the ROC in terms of Section 26 of Companies Act, 2013.

For further details please refer to Section titled “*General Information*” on page 59 of this Draft Prospectus.

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 Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries.
5. The Stock Exchange will issue an electronic facility for registering applications for the Offer. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Offer 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 Offer Closing Date, the Designated Intermediaries shall upload the applications till such

time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.

6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given along with the Application Forms to Designated Branches of the SCSBs for blocking of funds.
7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
 - (a) Name of the Applicant;
 - (b) IPO Name;
 - (c) Application Form Number;
 - (d) Investor Category;
 - (e) PAN (of First Applicant, if more than one Applicant);
 - (f) DP ID of the demat account of the Applicant;
 - (g) Client Identification Number of the demat account of the Applicant;
 - (h) Number of Equity Shares Applied for;
 - (i) Bank Account details;
 - (j) Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - (k) Bank account number
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non- Institutional Investors and Individual Investors, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer 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 Offer Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

PRE-OFFER ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation. In the pre-Offer advertisement, we shall state the Offer Opening Date and the Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Lead Manager and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of an English national daily newspaper, all editions of a Hindi national daily newspaper and regional editions of a daily newspaper where our Registered Office is located, each with wide circulation.

ISSUANCE OF CONFIRMATION ON ALLOCATION NOTE AND ALLOTMENT IN THE OFFER

Upon approval of the basis of allotment by the Designated Stock Exchange, the Lead Manager or Registrar to the Offer shall send to the SCSBs a list of their Applicants who have been allocated Equity Shares in the Offer.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer. The Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer 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 Offer Account with the Bankers to the Offer. 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 Offer Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

GENERAL INSTRUCTIONS

Do's:

1. Check if you are eligible to apply as per the terms of this Draft Prospectus and under applicable law, rules, regulations, guidelines and approvals; All Applicants should submit their Applications through the ASBA process only;
2. Ensure that you have apply within the Price Band
3. Read all the instructions carefully and complete the Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID, Client ID and Bank Account Number (UPI ID, as applicable) are correct and the Applicants depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre (except in case of electronic Applications) within the prescribed time. UPI Applicants using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants;
6. Ensure that you (other than Anchor Investors) have mentioned the correct ASBA Account number and such ASBA account belongs to you and no one else if you are not an RII bidding using the UPI Mechanism in the Application Form (with maximum length of 45 characters) and if you are an RII using the UPI Mechanism ensure that you have mentioned the correct UPI ID in the Application Form;

7. Ensure that you have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries. Ensure that you use only your own bank account linked UPI ID (only for UPI Mechanism for an application size of up to ₹5,00,000 for UPI Applicants) to make an application in the Offer. Investors using the UPI Mechanism shall ensure that the bank with which they have their bank account where the funds equivalent to the Application Amount are available for blocking, is UPI 2.0 certified by NPCI;
8. If the first applicant is not the bank account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form (for all Applicants other than Individual Investors, bidding using the UPI Mechanism);
9. All Applicants should submit their Applications through the ASBA process only;
10. Ensure that the signature of the First Applicant in case of joint Applications, is included in the Application Forms;
11. Individual Investors submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Application is listed on the website of SEBI at www.sebi.gov.in;
12. Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Applications, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement of your application;
14. Investors using the UPI mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
15. Instruct your respective banks to release the funds blocked in accordance with the ASBA process;
16. Submit revised Applications to the same Designated Intermediary, through whom the original Application was placed and obtain a revised acknowledgment;
17. Except for Applications (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining / specifying their PAN for transacting in the securities market including without limitation, multilateral/ bilateral institutions, and (iii) Applications by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Applicants should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the correct investor category and the investor status is indicated in the Application Form;
21. Ensure that in case of Applications under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
22. Ensure that Applications submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

23. Ensure that you use only your own bank account linked UPI ID (only for Individual Investors using the UPI Mechanism) to make an application in the Offer;
24. Applicants should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Applications are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
25. Applicants, other than Individual Investors using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account maintained with the SCSB before submitting the Application Form to the relevant Designated Intermediaries;
26. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Application Form and that the name of the Applicant, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;
27. In case of ASBA Applicants (other than Individual Investors using UPI Mechanism), ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Once the Sponsor Bank Issues the UPI Mandate Request, the Individual Investors would be required to proceed to authorise the blocking of funds by confirming or accepting the UPI Mandate Request;
29. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form at the time of submission of the Application;
30. Individual Investors who wish to revise their applications using the UPI Mechanism, should submit the revised Application with the Designated Intermediaries, pursuant to which Individual Investors should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in the Individual Investors ASBA Account.
31. Investors using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a Investor shall be deemed to have verified the attachment containing the application details of the Investor in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to block the Application Amount specified in the Application Form;
32. Investors applied using the UPI Mechanism should mention valid UPI ID of only the applicant (in case of single account) and of the first applicant (in case of joint account) in the Application Form;
33. Individual Investors using the UPI Mechanism who have revised their applications subsequent to making the initial Application should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Application Amount and subsequent debit of funds in case of Allotment in a timely manner;
34. Ensure that the Application Forms are delivered by the Applicants within the time prescribed as per the Application Form and the Prospectus;
35. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form;
36. Investors shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Offer Closing Date.
37. The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

38. UPI Applicants using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Applicants shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019.

Don'ts:

1. Do not apply for lower than the minimum Application size;
2. Do not apply at a Price different from the Price mentioned herein or in the Application Form;
3. Do not apply by another Application Form after submission of Application to the Designated Intermediary.
4. Do not pay the Application Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest or any mode other than blocked amounts in the bank account maintained with SCSB;
5. Do not send Application Forms by post; instead submit the same to the Designated Intermediary only;
6. Do not submit the Application Forms to any non-SCSB bank or our Company;
7. Do not apply on a physical Application Form that does not have the stamp of the relevant Designated Intermediary;
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit more than one Application Forms per ASBA Account;
10. Do not submit the Application Forms to any Designated Intermediary that is not authorised to collect the relevant Application Forms or to our Company;
11. Do not apply for an Application Amount exceeding ₹200,000 (for Applications by Individual Investors);
12. Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Draft Prospectus;
13. Do not submit the General Index Register number instead of the PAN;
14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. Do not submit the Application without ensuring that funds equivalent to the entire Application Amount are blocked in the relevant ASBA Account;
16. If you are a Individual Investor and are using UPI Mechanism, do not submit more than one Application Form for each UPI ID;
17. If you are a Individual Investor and are using UPI Mechanism, do not make the ASBA application using third party bank account or using third party linked bank account UPI ID;
18. Do not submit Applications on plain paper or on incomplete or illegible Application Forms or on Application Forms in a colour prescribed for another category of Applicant;
19. Do not submit an application in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
20. Do not apply if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
21. Do not withdraw your application or lower the size of your application (in terms of quantity of the Equity Shares or the Application Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Individual Investors can revise their applications during the Offer Period and withdraw their Applicants on or before the Offer Closing Date;

22. Do not apply for shares more than specified by respective Stock Exchanges for each category;
23. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Applications submitted by Investor using the UPI mechanism;
24. Do not submit incorrect UPI ID details, if you are a Investors applying through UPI Mechanism;
25. If you are a Non-Institutional Investor or Individual Investor, do not submit your application after 3.00 p.m. on the Offer Closing Date;
26. Do not apply if you are an OCB.

The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-offer or post-offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, see “*General Information*” on page 59 of this Draft Prospectus.

For helpline details of the Lead Manager pursuant to the SEBI circular no. SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Lead Manager to the Offer*” on page 59 of this Draft Prospectus.

GROUNDS FOR TECHNICAL REJECTIONS

In addition to the grounds for rejection of Application on technical grounds as provided in the “*General Information Document*” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

1. Applications submitted without instruction to the SCSBs to block the entire Application Amount;
2. Applications submitted by Applicants which do not contain details of the Application Amount and the bank account details / UPI ID in the Application Form;
3. Applications submitted on a plain paper;
4. Applications submitted by Individual Investors using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. Applications submitted by Individual Investors using third party bank accounts or using a third party linked bank account UPI ID;
6. Applications by HUFs not mentioned correctly as given in the sub-section “Who can Apply?” ;
7. Application Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
8. Application submitted without the signature of the First Applicant or sole Applicants;
9. Applications by person for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/ 22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Application by Individual Investors with Application Amount for a value of more than ₹200,000;
12. Applications by person who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Applications by Applicants (who are not Anchor Investors) accompanied by cheques or demand drafts;
14. Applications accompanied by stock invest, money order, postal order or cash;

15. Application by OCB.

For further details of grounds for technical rejections of Application Form, please refer to the General Information Document and UPI Circulars.

For details of instruction in relation to the Application Form, please refer to the General Information Document and UPI Circulars.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the Lead Manager and the Registrar to the Offer, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any Allotment in excess of the Equity Shares issued through the Offer through the Prospectus except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the Offer to public may be made for the purpose of making Allotment in minimum lots. The allotment of Equity Shares to Applicants other than to the Individual Investors, Non-Institutional Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The allotment of Equity Shares to each Individual Investors shall not be less than the minimum lot, subject to the availability of shares in Individual Investors Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis. The allotment to each Non-Institutional Investors shall not be less than the Minimum NII Application Size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

INVESTOR GRIEVANCE

In case of any pre- offer or post- offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer. For details of the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” on page 59 of this Draft Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Offer Closing Date, the Applicant shall be compensated at a uniform rate of ₹100/- per day for the entire duration of delay exceeding two Working Days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs 1 million or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than Rs 1 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to Rs 5 million or with both.

DEPOSITORY ARRANGEMENTS

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). It is mandatory for the applicants to furnish the details of depository account and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. Specified securities, on allotment, shall be traded on stock exchanges in demat mode only in this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

1. Agreement dated November 12, 2024 among NSDL, our Company and the Registrar to the Offer.
2. Agreement dated October 11, 2024 among CDSL, our Company and Registrar to the Offer.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

1. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six working days of the Offer Closing Date or within such other time period prescribed by SEBI will be taken;
3. the funds required for making refunds/unblocking (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
4. if Allotment is not made within six working days from the Offer Closing Date or such other prescribed timelines under applicable laws, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws. If there is a delay beyond such prescribed time, our Company shall pay interest prescribed under the Companies Act, the SEBI ICDR Regulations and other applicable laws for the delayed period;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. that if our Company do not proceed with the Offer after the Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre- offer advertisements were published. The Stock Exchanges shall be informed promptly;
7. that if our Company withdraw the Offer after the Offer Closing Date, our Company shall be required to file a fresh issue document with SEBI/Stock Exchange, in the event our Company or subsequently decide to proceed with the Offer;
8. adequate arrangements shall be made to collect all Application Forms from Applicants.
9. the Promoters' contribution in full, wherever required, shall be brought in advance before the Offer opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public.

The information set out above is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the prescribed limits under applicable laws or regulations.

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

The Selling Shareholders in respect of itself as a Selling Shareholders and its portion of the Equity Shares offered by them in the Offer, undertakes the following in respect of herself and their respective portion of the Offered Shares:

- the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

- it shall provide reasonable cooperation to our Company in relation to the Offered Shares, (a) for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange, and/ or (b) refund orders (if applicable);
- that it shall provide such reasonable assistance to our Company and the LM in redressal of such investor grievances that pertain to the respective portion of the Offered Shares;
- it shall deposit its portion of Offered Shares in an escrow demat account in accordance with the Share Escrow Agreement;
- it is the legal and beneficial owner of the Offered Shares that such Offered Shares shall be transferred in the Offer, free from liens, charges and encumbrances; and
- it shall not have recourse to the proceeds of the Offer, which shall be held in escrow in its favour, until the final approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

UTILISATION OF NET PROCEEDS

Our Board certifies that:

1. all monies received out of the Fresh issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilised out of the Fresh issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
3. the utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

the details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee Company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI policy, FDI in companies engaged in the wholesale trading sector, which is the sector in which our Company operates, is permitted up to 100% of the paid-up share capital of such Company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see “*Offer Procedure*” on page 285 of this Draft Prospectus. Each Investor should seek independent legal advice about its ability to participate in the Offer. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Investor shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Offer/ Period.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Issue may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Investors. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Investors are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Issue for do not exceed the applicable limits.

SECTION XII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013

COMPANY LIMITED BY SHARES

(Incorporated under the Companies Act, 2013)

ARTICLES OF ASSOCIATION

OF

BHAVIK ENTERPRISES LIMITED

1) a) Table “F” not to apply but company to be governed by these Articles

No regulations contained in Table “F” to the Companies Act, 2013 (“**Table F**”) as are applicable to a public company limited by shares, shall apply to the Company except: (a) so far as they are not inconsistent with any of the provisions contained in these articles or modifications thereof; or (b) to the extent that there is no specific provision in these articles. In case of any conflict between the provisions of these articles and table F, the provisions of these articles shall prevail.

b) Applicability of Stock Exchange Regulations

Notwithstanding anything contained herein in these Articles, any inconsistency as to clause or time stipulated therein with the regulations and conditions of listing agreement of applicable stock exchanges, where the shares/securities of the Company are listed, shall stand modified so as to be consistent with the regulations and conditions of the listing agreement as amended from time to time.

Where any regulations and conditions as modified from time to time of any recognized stock exchange/s, which are required to be stipulated and included in the articles of association of a company at the time of listing of shares / securities or thereafter, these Articles shall stand to have been modified or amended so as to include such regulation and condition without further requirement of alteration of the Articles of Association of the Company.

INTERPRETATION

In the interpretation of these Articles the following expressions shall have the following meanings, unless repugnant to the subject or context:

THE ACT

“The Act” means the Companies Act, 2013 and the rules and regulations prescribed thereunder, as now enacted or as amended from time to time and shall include any statutory modification or re-enactment thereof for the time being in force.

ARTICLES

The “Articles” or “Articles of Association” means these articles of association of the Company or as altered from time to time.

BOARD OR BOARD OF DIRECTORS

“Board” or “Board of Directors” means the board of directors of the Company, as constituted from time to time.

CHAIRMAN

“The Chairman” means the Chairman of the Board of Directors / Committee for the time being of the Company.

THE COMPANY OR THIS COMPANY

“The Company” or “This Company” means **BHAVIK ENTERPRISES LIMITED**.

RULES

Rules means the applicable rules for the time being in force as prescribed under relevant sections of the Act.

MONTH

“Month” means a calendar month.

PERSONS

“Person” or “person” shall mean any natural person, limited or unlimited liability company, body corporate or corporation, limited liability partnership, partnership (whether limited or unlimited), proprietorship, voluntary association, joint venture, unincorporated organization Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity, whether incorporated or not, that whether acting in an individual, fiduciary or other capacity may be treated as a person under applicable law.

GENDER

Words importing one gender also include the other gender(s).

SINGULAR NUMBER

Words importing the singular number include, where the context admits or requires, the plural number, and vice versa.

- a. Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

EXPRESSION IN THE ACT TO BEAR THE SAME MEANING IN ARTICLES

Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act. In these Articles, all capitalized items not defined herein below shall have the meanings assigned to them in the other parts of these Articles when defined.

2) PUBLIC COMPANY

The company is a public company as defined in Section 2(71) of the Act.

CAPITAL, SHARES AND CERTIFICATES

3) CAPITAL

- a) The Authorised Share Capital of the Company is as stated in the **Clause V** of the Memorandum of Association with the rights, privileges and conditions attached thereto as provided in law for the time being in force with powers to the Company to issue share capital as provided under Section 43 of the Act and divide share capital for the time being of the Company into several classes / kinds (being those specified in the Act) and to attach thereto respectively such preferential, qualified, differential or special rights, privileges or conditions as may be determined by or in accordance with the law or the Articles of Association of the Company for the time being in force and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the law for the time being in force or provided by the Articles of Association of the Company.
- b) Subject to the provision of the Act and Rules and these articles, the Board may issue and allot shares in the capital of the Company in consideration of payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business or as sweat equity and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than cash and if so issued shall be deemed to be fully paid or partly paid up shares as the case may be.

4) INCREASE OF CAPITAL BY THE COMPANY

The Company in general meeting may from time to time, by ordinary resolution, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. 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 a general meeting of the Company in conformity with Sections 47 of the Act.

5) ISSUE OF SECURITIES

Subject to the provisions of the Act and the rules and other applicable laws the Company shall have the right to issue any kind of shares/ securities / warrants having such rights as to conversion, redemption or otherwise and other terms and conditions and for consideration in cash or in consideration of any property or asset of any kind wherever sold or transferred goods or machinery supplied or for services rendered to the Company in the conduct of its business.

6) ISSUE OF REDEEMABLE PREFERENCE SHARES

Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more class which are liable to be redeemed or converted into equity shares on such terms and conditions and in such manner as may be determined by the Board in accordance with the Act and the Rules.

7) SHARES UNDER THE CONTROL OF THE BOARD

Subject to the Section 62 of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board 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 either at a premium or at par or at a discount (subject to the compliance with the provision of Section 53 of the Act) and at such times as it may from time to time think fit and proper, and with full power of the sanction of the Company in General Meeting, to give to any Person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board thinks 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 be so allotted may be issued as fully paid up shares and is so issued, shall be deemed to be fully paid up shares.

Provided that the option or right to call of shares shall not be given to any persons except with the sanction of the Company in General Meeting.

8) PURCHASE / BUY BACK OF SHARES

(a) Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall be entitled to purchase its own shares or other specified securities on such terms as deemed fit.

(b) Subject to all applicable provisions of the Act or any other laws for the time being in force, the Company shall also be entitled to provide loan or any financial assistance to any person to purchase shares or securities of the Company.

9) REDUCTION OF CAPITAL

The Company may (subject to the provisions of Section 52, 55, 66 and/or other applicable provisions, if any, of the Act) from time to time by special resolution, reduce (a) its share capital, (b) any capital redemption, reserve account, or (c) any share premium account in any manner and with and subject to any incidents, authorise the consent required by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. The Article is not to derogate from any power the Company would have if it were omitted.

10) CONSOLIDATION, DIVISION, SUB-DIVISION AND CANCELLATION OF SHARES

Subject to the provisions of Section 61 of the Act, the Company in general meeting may from time to time by an ordinary resolution alter the conditions of its Memorandum as follows:

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the sub-division, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- (c) Cancel shares which, at the date of the passing of the resolution in that behalf, 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. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of share capital within the meaning of the Act.

11) MODIFICATION OF RIGHTS

- (i) Whenever the capital, by reason of the issue of shares including preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Section 48 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with, with the consent in writing of the holders of not less than three-fourths of the issued capital of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article, is not to derogate from any power the Company would have if this Article was omitted.
- (ii) The rights conferred upon the holders of the shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking *pari passu* there with. This Article, is not to derogate from any power the Company would have if this Article was omitted.

12) ISSUE OF FURTHER SHARES NOT TO AFFECT RIGHTS OF EXISTING MEMBERS

The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith. This Article, is not to derogate from any power the Company would have if this Article was omitted.

13) FURTHER ISSUE OF SHARES/SECURITIES

A further issue of shares/securities may be made in any manner whatsoever as the Board may determine including by way of preferential offer, private placement, rights issue, bonus issue, pursuant to employee stock options, sweat equity or in any other manner as permitted by the Act and at such time as the Board may from time to time think fit.

14) ISSUE OF SHARES TO EMPLOYEES

Subject to applicable rules and regulation, the Board may issue and allot shares/securities as sweat equity or under employees stock option scheme. The Board is authorised absolutely at its sole discretion to determine the terms and conditions of issue of such shares and modify the same from time to time.

15) LIABILITY OF MEMBERS

Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to 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 of Directors shall from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

16) SHARE CERTIFICATES

- (a) The Company shall cause to be kept a register of members in accordance with Section 88 of the Act.

Every person whose name is entered as a member in the register of members shall be entitled to receive, within two months after allotment (or within such other period as the conditions of issue shall provide), or within fifteen days after the application for the registration of transfer or transmission is received by the

Company, without payment, certificate for all the shares registered in his name, every share certificate specifying the name of the person in whose favor it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. 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 case of issues against letters of acceptance or of renunciation or in cases of issue of bonus shares provided that if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence.

- (b) Certificate of title to shares shall be issued and shall be signed in conformity with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof for the time being in force. Printing of blank forms to be used for issue of share certificates and maintenance of books and documents relating to issue of share certificates shall be in accordance with the provisions of aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within two months after the allotment unless the conditions of issue of shares provide otherwise.
- (c) Any two or more joint allottees or holders of share shall, for the purpose of this Article, be treated as a single member and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of the certificate for a share to one of several joint shareholders shall be sufficient delivery to all such holder.

17) FRACTIONAL CERTIFICATES

- (a) If and whenever, as a result of issue of new shares on consolidation or sub-division of shares, any member becomes entitled to any fractional part of a share, the Board may subject to the provisions of the Act and these Articles and to the directions, if any, of the Company in General Meeting:-
 - (i) Issue to such member fractional certificate or certificates representing such fractional part. Such fractional certificate or certificates shall not be registered, nor shall they bear any dividend until exchanged with other fractional certificates for an entire share. The Directors may, however, fix the time within which such fractional certificates are to be exchanged for an entire share and may extend such time and if at the expiry of such time, any fractional certificates shall be deemed to be canceled and the Directors shall sell the shares represented by such canceled fractional certificates for the best price reasonably obtainable or
 - (ii) Sell the shares represented by all such fractional parts for the best price reasonably obtainable.
- (b) In the event of any shares being sold, in pursuance of sub-clause (a) above, the Company shall pay and distribute to and amongst the persons entitled, in due proportion the net sale proceeds thereof.
- (c) For the purpose of giving effect to any such sale, the Board may authorise any person to transfer the shares sold to the purchaser thereof, comprised in any such transfer and he shall not be bound to see to the application of purchase money nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.
- (d) The provisions of the foregoing Articles relating to issue of certificates shall *mutatis mutandis* apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.
- (e) Notwithstanding the above, the Board shall have power to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares/securities becoming distributable in fractions.

18) RENEWAL OF SHARE CERTIFICATE

No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn, or old, decrepit, worn out, or where the pages on the reverse for recording transfers have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.

Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfers have been fully utilised.

Provided further that in case of any share certificate being lost or destroyed or if there be no further space on the bank for endorsement of transfer, the Company may issue a duplicate certificate in place of the certificate so lost or destroyed on such terms as to evidence out of pocket expenses in regard to investigation of such evidence and on execution of indemnity as the Board may determine.

The Company shall issue certificates or receipts or advices, as applicable, of subdivision, split, consolidation, renewal, exchanges, endorsements, issuance of duplicates thereof or issuance of new certificates or receipts or advices, as applicable, in cases of loss or old decrepit or worn out certificates or receipts or advices, as applicable within a period of thirty days from the date of such lodgment.

Provided that notwithstanding what is stated above, the Board shall comply with such rules or regulation or requirements of any stock exchanges or the rules made under the Act or rules made under the Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.

The provisions of the foregoing Articles relating to issue of certificates shall mutatis mutandis apply to issue of certificates for any other securities including debentures (except where the Act otherwise requires) of the Company.

19) COMPANY NOT BOUND TO RECOGNISE ANY INTEREST IN SHARE OTHER THAN REGISTERED HOLDER

Except as ordered by a Court of competent jurisdiction or as by law required the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles expressly provided) any right in respect of a share other than an absolute right thereto/ in accordance with these Articles, in the person whose name appears in the Register of Members as holder of shares or whose name appears as the beneficial owner of the shares in the records of the depository, but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

20) COMPANY ENTITLED TO DEMATERIALISE ITS SHARES AND SECURITIES

Notwithstanding anything contained in the Articles of Association, the Company shall be entitled to dematerialize its shares, debenture and other securities in a dematerialised form. The Company shall further be entitled to maintain a Register of Members with the details of members holding shares/securities both in material and dematerialised form in any media as permitted by law including any form of electronic media.

21) GENERAL AUTHORITY

Where in the Act, it has been provided that a company shall have any right, privilege or authority or that a company could carry out any transactions only if such company is so authorized by its articles of association, in every such case this Articles of Association hereby authorizes and empowers the Company, its Board, its Directors and/or its members to have such right, privilege or authority and to carry out such transaction as have been permitted by the Act without there being any specific provision in that behalf herein. Following are a few illustrations of such rights, privileges, authorities and transactions as set out with relevant Section numbers from the Act:

Section 40: to pay commission on issue of shares and debentures

Section 43: to issue shares with differential voting rights

Section 48: to alter rights of holders of special class of shares

Section 50: to accept amount on share capital although not called up

Section 51: to pay dividend in proportion to amount paid-up

Section 55: to issue preference shares.

Section 61: to alter the share capital of the company

Section 42: to issue shares on preferential basis

Section 62: to further issue shares/securities

Section 63: to issue bonus shares

Section 68: to buy back the shares of the Company

Section 88: to keep foreign register of members of debenture holders

Section 161: to appoint additional, alternate and nominee directors

The above authority does not include rights, privileges, authorities under Section 163 of the Act.

22) POWER TO PAY COMMISSION IN CONNECTION WITH SECURITIES ISSUED

1. The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.

2. The rate or amount of the commission shall not exceed the rate or amount prescribed in the Act and the Rules.

3. The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

23) BROKERAGE

The Company may on any issue of shares, debentures or any other securities pay such brokerage or commission as may be prescribed under the Act.

CALLS

24) BOARD MAY MAKE CALLS

Subject to the provisions of Section 49 of the Act, the Board of Directors may, from time to time, 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 moneys unpaid on the shares, whether on account of the nominal value of the shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine at any time.

25) NOTICE OF CALLS

At least Fourteen (14) 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.

26) CALLS TO TAKE EFFECT FROM THE DATE OF RESOLUTION

A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board of Directors 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 Board on such subsequent date as shall be fixed by the Board of Directors.

27) CALLS ON SHARES OF SAME CLASS TO BE ON UNIFORM BASIS

All calls shall be made on a uniform basis on all shares falling under the same class.

Explanation: Shares of different class having the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.

28) BOARD MAY EXTEND TIME

The Board of Directors may, from time to time at its discretion, extend the time fixed for the payments of any call, and may extend such times as to all or any of the members who, on account of residence at a distance or other cause, the Board of Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension as of right except as a matter of grace and favour.

29) AMOUNT PAYABLE AT FIXED TIME OR BY INSTALMENTS TO BE TREATED AS CALLS

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable by the person who for the time being and from time to time is or shall be the registered holder of the shares or legal representative of a deceased registered shareholder, as if it were a call duly made by the Board 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.

30) DEPOSIT AND CALL, ETC. TO BE DEBT PAYABLE

The money (if any) which the Board of Directors 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, immediately on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

31) INTEREST ON CALL OR INSTALMENT

If the sum payable in respect of any call or instalment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at the rate as may be determined by the Board from the due date appointed for the payment thereof till the time of actual payment. However, the Board may waive payment of such interest wholly or in part.

32) PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time-to-time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

33) PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST

(a) The Board of Directors may, if it thinks fit, subject to the provisions of the Act, agree to and receive from any member willing to advance the same, all or any part of the amount due upon the shares held by him beyond the sums actually called for 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 Company may pay or allow interest, at such rate not exceeding, unless the Company in general meeting shall otherwise direct, nine (9) per cent per annum as the member paying the sum in advance and the Board of Directors agree upon. The Board of Directors may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to such members three months' notice in writing.

(b) No member paying any such sum in advance shall be entitled to voting rights or dividend or to participate in profits in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

34) The provisions of these Articles relating to calls on shares shall mutatis mutandis apply to any other securities including debentures of the Company.

LIEN

35) COMPANY TO HAVE LIEN ON SHARES/ DEBENTURES

The Company shall have a first and paramount lien upon all 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 interests in any such share/debentures shall be created except upon the footing and condition that this Article is to have full legal effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of shares/ debentures.

Unless otherwise agreed, the registration of a transfer of such shares/ debentures shall operate as a waiver of the Company's lien if any, on such shares/ debentures. PROVIDED THAT the Board of Directors may, at any time, declare any share/ debentures to be wholly or in part exempt from the provisions of this Article.

36) AS TO ENFORCING LIEN BY SALE

The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:

- (a) Unless a sum in respect of which the lien exists is presently payable; or
- (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issue a duplicate certificate in respect of such shares and may authorise one of the members to execute a transfer thereof on behalf of and in the name of such members.

37) TRANSFER OF SHARES SOLD UNDER LIEN

- (1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereto;
- (2) The Purchaser shall be registered as the holder of the shares comprised in any such transfer;
- (3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.
- (4) The Purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

38) APPLICATION OF PROCEEDS OF SALE

- (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and
- (2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

39) OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by any statute) be bound to recognize any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

- 40)** The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities including debentures of the Company.

JOINT HOLDERS

41) THE FIRST NAMED OF JOINT HOLDERS DEEMED SOLE HOLDER

If any share stands in the names of two or more persons, first named in the register shall, as regards receipts of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meeting and the transfer of the shares, be deemed the sole holder thereof but the joint holder of a share shall, severally as well as jointly, be liable for the payment of all installments and calls due in respect of such share, and for all incidents thereof according to the Company's regulations.

- 42) Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefit of survivorship subject to the following and other provisions contained in these articles:-

NOT MORE THAN FOUR

- (a) The Company shall not be bound to register more than four persons as the holders of any share.
- (b) The joint holders of any share shall be liable severally as well as jointly for and in respect of all installments, calls and other payments which ought to be made in respect of such share.

TITLE OF SURVIVORS

- (c) On the death of any of such joint holder the survivor or survivors shall be the only person or persons 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 on shares held by him jointly with any other person.

RECEIPT OF ONE SUFFICIENT

- (d) Any one of such joint holders may give effectual receipts of any dividends or other moneys payable in respect of such share.

DELIVERY OF CERTIFICATE AND GIVING OF NOTICE

- (e) Only the person whose name stands first in the Register of Members as one of the joint holders of any share unless otherwise directed by all of them in writing shall be entitled to delivery of certificate relating to such share or to receive any documents from the Company and any document served on or sent to such person shall be deemed service on all the joint holders.
- (f) The provisions of these Articles relating to joint holders of shares shall mutatis mutandis apply to any other securities including debentures of the Company registered in joint names.

FORFEITURE OF SHARES

43) IF MONEY PAYABLE ON SHARES NOT PAID NOTICE TO BE GIVEN TO MEMBER

If any member fails to pay any call or any installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board of Directors may, at any time thereafter, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

44) ALLOTMENT MONEY SHALL BE DEEMED TO BE A CALL

For the purpose of provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such share on the day of allotment.

45) EFFECT OF NONPAYMENT OF SUMS

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

46) FORM OF NOTICE

The notice shall name a day (not being less than fourteen(14) days from the date of the notice) and a place or places on and at which such call or installment and such interest thereon at such rate 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 appointed the shares in respect of which the call was made or installment is payable will be liable to be forfeited.

47) IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or installments interest and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect by the forfeited shares and not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.

48) NOTICE OF FORFEITURE TO A MEMBER

When any share shall have so 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 forth with be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

49) FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.

Any share 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.

50) CANCELLATION OF FORFEITURE

At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

51) MEMBER STILL LIABLE TO PAY MONEY OWING AT THE TIME OF FORFEITURE AND INTEREST

Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay, and shall forthwith pay to the Company on demand all calls, 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 forfeiture until payment, at such rate not exceeding twelve (12) per cent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if they think fit, but shall not be under any obligation so to do.

52) EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of the forfeiture of all interest in, and all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

53) VALIDITY OF FORFEITURE

- 1) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration shall be conclusive evidence of the facts stated as against all persons claiming to be entitled to the share.
- 2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favor of the person to whom the share is sold or disposed of;
- 3) The person to whom such share, is sold, re-allotted or disposed of shall thereupon be registered as the holder of the share;

- 4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, installments, interest and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest and bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- 5) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale re-allotment or other disposal of the share.

54) CANCELLATION OF SHARE CERTIFICATES IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the 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 Board shall be entitled to issue a new certificate in respect of the said shares to the persons entitled thereto.

55) VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for 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 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.

56) SURRENDER OF SHARES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or for any member desirous of surrendering on such terms as they think fit.

- 57) The provisions of these Articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

TRANSFER AND TRANSMISSION OF SHARES

58) INSTRUMENT OF TRANSFER TO BE EXECUTED BY TRANSFEROR AND TRANSFEREE

- 1) For shares in physical form, the instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee.
- 2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 3) The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

59) BOARD MAY REFUSE TO REGISTER TRANSFER

- (a) Subject to the provisions of Sections 58 and 59 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may, refuse to register the transfer of, or the transmission by operation of law of the right to, any securities or interest of a shareholder in the Company. Further, subject to the provisions of Section 56 of the Act and section 22A and other relevant provisions of the Securities Contracts (Regulation) Act, 1956, as amended, the Board may, at its absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a shareholder of the Company. The Board shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send a notice of refusal to the transferee and transferor or to the person giving notice of such transmission, as the case may be, giving reasons for such refusal.

Provided that, registration of a 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 except where the Company has a lien on shares. Transfer of shares / debentures in whatever lot shall not be refused.

60) BOARD MAY DECLINE TO RECOGNIZE INSTRUMENT OF TRANSFER

The Board may decline to recognize any instrument of transfer unless –

- a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act;
- b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- c) the instrument of transfer is in respect of only one class of shares.

61) TRANSFER OF SHARES WHEN SUSPENDED

On giving of previous notice of at least seven (7) days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty (30) days at any one time or for more than forty- five (45) days in the aggregate in any year.

62) TRANSFER OF PARTLY PAID SHARES

Where the application is made by the transferor and 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 date of receipt of the notice.

63) TRANSFER TO MINORS, ETC.

- (a) No share shall in any circumstances be transferred to an insolvent or a person of unsound mind.
- (b) A minor may be admitted and registered as a member of the Company in respect of any fully paid-up share or shares in his or her name. The father or the mother of a minor or a guardian appointed by a competent court shall have a right to represent and act for the minor in all respects including voting and/or giving proxy in respect of any share or shares held by such minor.

64) THE COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE PROHIBITING REGISTRATION OF A TRANSFER

The Company shall incur no liability or responsibility whatever 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 of members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, or referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it 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 books 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 Board of Directors shall so think fit.

65) TITLE TO SHARES OF DECEASED MEMBER

The executors or administrators of a deceased member or the holder 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 names of such members, and the Company shall not be bound to recognize such executors or administrators or holders of a succession certificate or the legal representatives unless such executors or administrators or legal representatives 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 may 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 under this Article the name of any person, who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a member.

66) TITLE TO SHARES ON DEATH OF A MEMBER

On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.

67) ESTATE OF DECEASED MEMBER LIABLE

Nothing shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

68) TRANSMISSION CLAUSE

Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time-to-time properly be required by the Board and subject as hereinafter provided, elect, either –

- a) to be registered himself as holder of the share; or
- b) to make such transfer of the share as the deceased or insolvent member could have made.

69) BOARD'S RIGHT UNAFFECTED

The Board shall in either case have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

70) INDEMNITY TO THE COMPANY

The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.

71) BOARD'S RIGHT UNAFFECTED

The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

72) NO FEE ON TRANSFER OR TRANSMISSION

No fee shall be charged for registration of transfer, grant of probate, Succession Certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.

73) Notwithstanding anything contained in the Articles of Association, in the case of transfer of shares or other marketable securities, where the Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act, 1996, shall apply.

74) The provisions of these Articles relating to transfer & transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company.

MEETINGS OF MEMBERS

75) ANNUAL GENERAL MEETING

The Company shall in each year hold in addition to any other meetings, a general meeting as its annual general meeting, except in the case where any extension of time for holding any annual general meeting is granted/availed under applicable laws. Not more than 15 (fifteen) months shall elapse between the date of one annual general meeting of the Company and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the registrar under the provisions of Section 96 of the Act to extend the time within which any annual general meeting may be held. Every annual general meeting shall be called during business hours on a day that is not a national holiday, and shall be held either at the registered office or at some other place within the city in which the registered office of the Company is situate, as the Board may determine.

76) EXTRAORDINARY GENERAL MEETING

All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

The Board may, whenever they think fit, convene an extra-ordinary general meeting.

The Board shall on the requisition of such number of members of the Company as is specified in Section 100 of the Act, forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all other provisions of Section 100 of the Act shall for the time being apply.

CALLING GENERAL MEETING

A general meeting of the Company may be convened by giving not less than clear 21 (twenty-one) days' notice either in writing or through electronic/permitted mode in such manner as prescribed under the Act, provided that a general meeting may be called after giving a shorter notice if consent is given in writing or by electronic mode: (a) in the case of an annual general meeting, by not less than 95% (ninety-five percent) of the members entitled to vote at such meeting, and (b) in the case of any other general meeting, by members holding, majority in number of members entitled to vote and who represent not less than 95% (ninety-five percent) of such part of the paid-up share capital of the Company as gives a right to vote at such meeting. Provided further that where any member is entitled to vote only on some resolution or resolutions to be moved at a general meeting and not on the others, that member shall be taken into account for the abovementioned purposes, in respect of the former resolution(s) and not in respect of the latter.

Notice of every general meeting shall be given to the members and to such other person or persons as required by and in accordance with Section 101 and 102 of the Act and it shall be served in the manner authorized by Section 20 of the Act.

The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolutions passed thereat.

NATURE OF BUSINESS

The ordinary business of an annual general meeting shall be to receive and consider the financial statements and the report of the Board and of the auditors, to reappointment of Directors retiring by rotation, to appointment of auditors and to declare dividends. All other business transacted at such meeting and all business transacted at an extra ordinary meeting shall be deemed special.

77) QUORUM

- 1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant.
- 3) The quorum for a general meeting shall be as provided in the Act.

78) CHAIRMAN OF GENERAL MEETING

The chairman of the Board shall be entitled to take the chair at every general meeting, whether annual or extraordinary. If there be no such chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or if he shall be 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 that meeting.

79) BUSINESS CONFINED TO ELECTION OF CHAIRMAN WHILST CHAIR VACANT

No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant.

80) CHAIRMAN MAY ADJOURN MEETING

- (1) The Chairman may, suo moto, adjourn the meeting from time to time and from place to place.
- (2) In the event a quorum as required herein is not present within 30 (thirty) minutes of the appointed time, then subject to the provisions of Section 103 of the Act, the general meeting shall stand adjourned to the same place and time 7 (seven) days later, provided that the agenda for such adjourned general meeting shall remain the same. The said general meeting if called by requisitionists under Section 100 of the Act (read with provisions of these Articles) shall stand cancelled.
- (3) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (4) When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (5) The required quorum at any adjourned general meeting shall be the same as that required at the original general meeting.
- (6) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.

81) CHAIRMAN'S DECLARATION OF RESULT OF VOTING ON SHOW OF HANDS

A declaration by the Chairman that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favor or against such resolution.

82) CHAIRMAN'S CASTING VOTE

In the case of an equality of votes, the chairman shall both on a show of hands and a poll (if any) have a second or casting vote in addition to the vote or votes to which he may be entitled as a member.

83) VOTING THROUGH ELECTRONIC MEANS

A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

84) MEMBERS PAYING MONEY IN ADVANCE NOT TO BE ENTITLED TO VOTE IN RESPECT THEREOF

A member paying the whole or a part of the amount remaining unpaid on any share held by them although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

85) NUMBER OF VOTES TO WHICH MEMBER ENTITLED

i) Subject to the provisions of the Act and 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, shall be entitled to vote in the manner prescribed under the Act and Articles.

ii) Subject to the provisions of this Act and this Articles any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (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 duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

iii) Any member shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.

86) VOTING IN PERSON OR BY PROXY

The instrument appointing a proxy and/or the power of attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 (forty eight) 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 (twenty four) hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

An instrument appointing a proxy shall be in the form as prescribed under the Act and the rules framed thereunder.

The proxy so appointed shall have no right to speak at the meeting.

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Unless specifically provided as part of terms of preference shares, the preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 47(2) of the Act.

87) MEMBERS IN ARREARS NOT TO VOTE

No members shall exercise any voting right 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 and has exercised any right of lien.

88) MINUTES OF PROCEEDINGS OF MEETINGS AND RESOLUTIONS PASSED BY POSTAL BALLOT

The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed under the Act and the Rules

89) INSPECTION OF MINUTE BOOKS OF GENERAL MEETING

The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:

- a) be kept at the registered office of the Company; and
- b) be open to inspection of any member without charge, during 2 p.m. (IST) to 4.30 p.m. (IST) on all working days.

90) MEMBERS MAY OBTAIN COPY OF MINUTES

Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes of general meetings:

Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.

91) POWERS TO ARRANGE SECURITY AT MEETINGS

The Board, and also any person(s) authorized by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the orderly conduct of the meeting. Any decision made

in good faith under this Article shall be final, and rights to attend and participate in the meeting concerned shall be subject to such decision.

DIRECTORS

92) NUMBER OF DIRECTORS

- 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 (excluding Debenture Directors, Government Directors, Ex-officio Directors, if any) shall be not less than 3 and not more than 15. However, maximum number can exceed 15 by passing such resolutions as required under the Act.
- b) The first Directors of the Company shall be determined in writing by the subscribers of the memorandum or a majority of them
- (c) It shall not be necessary for a Director to hold any share in the Company.

93) DIRECTORS NOT LIABLE TO RETIRE BY ROTATION

The shareholders/ members shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of Directors by rotation subject to compliance of the Act and the Rules made thereunder. Mr. Mukesh Natverlal Thakkar, Mr. Bhavik Mukesh Thakkar and Ms. Purnima Mukesh Thakkar shall be liable to retire by rotation.

Subject to provisions of the relevant laws and these Articles, not less than 2/3rd of the total number of Directors for the time being shall be those whose period of office is liable for determination of retirement by rotation. For the purposes of this article, the total number of Directors shall not include independent directors, whether appointed under the Act or any other law for the time being in force, on the Board.

A retiring Director shall be eligible for re-election.

94) SAME INDIVIDUAL MAY BE CHAIRPERSON AND MANAGING DIRECTOR/ CHIEF EXECUTIVE OFFICER

The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.

95) (a) APPOINTMENT OF ALTERNATE DIRECTOR

The Board may appoint an Alternate Director to act for a Director (hereinafter called “the original Director”) during his absence for a period of not less than three months from the India which meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Board and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such meetings to have and exercise all powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the India. If the terms of office of the original Director is determined before he returns to the India, any provision in the Act or in this Article 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 SPECIAL DIRECTOR

- (i) The Company shall, subject to the provisions of the Act, be entitled to agree with the Central or State Government, or any person, firm, corporation or authority that he or it shall have the right to appoint his or its nominees on the Board of Directors of the Company upon such terms and conditions as the Directors may deem fit. Such nominees and their successors in office appointed under this Article shall be called Special Directors. Special Directors shall be entitled to hold office until requested to retire by authority, person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the authority, person, firm or corporation who appointed such Special Director may, if the agreement so provides, appoint another Director in his place.

- (ii) The Special Directors, appointed under sub-clause (i) above, shall be entitled to hold office until requested to retire by the person, firm or corporation who may have appointed them and will not be bound to retire by rotation. As and whenever a Special Director vacates office whether upon request as aforesaid or by death, resignation or otherwise, the person, firm or corporation who have appointed such special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to the Company resign his office. Subject as aforesaid a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

(c) APPOINTMENT OF DEBENTURE DIRECTORS

Any Trust Deed for securing debentures or debenture stocks may, if so agreed, provide for the appointment, from time to time, by the Trustees thereof, or by the holders of debentures or debenture stocks, of some person to be a Director and may empower such Trustees or holder of debentures or debentures stocks, from time to time, to remove and re-appoint any Director so appointed. The Director so appointed under this Article herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

(d) APPOINTMENT OF NOMINEE DIRECTORS

- (i) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owing by the Company to financial institutions, financing company or body or credit corporation, out of any loans granted by them to the Company or so long as the financial institution, financing company or body corporate or Credit Corporation (each of the financial institutions, financing company or body or credit corporation is hereinafter in this Article referred to as “The Corporation”) continue to hold debentures in the Company by direct subscription or private placement, or so long as the Corporation holds shares in the Company as result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors, whole-time or non-whole-time, (which Directors or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s in terms of the agreement executed with such Corporation/ provisions of the respective statute/ or otherwise agreed to by the Board.
- (ii) The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also, at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.
- (iii) The Nominee Director/s so appointed shall hold the said office only so long as any money remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the money owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.
- (iv) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend to General Meetings, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.
- (v) The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, money or remuneration in any form is payable to the Directors of the Company, the fees, commission, money and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation.

- (vi) Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s. Provided that if any such Nominee Director/s is an officer of the Corporation, the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation or as per rules and regulations/or agreement entered into with such corporation
- (vii) In the event of the Nominee Director/s being appointed as Whole-time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of the Company. Such Whole-time Director/s shall be entitled to receive such remuneration, fees, commission and money as may be approved by the Corporation.

96) DIRECTORS MAY FILL VACANCIES

The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board or Directors at a meeting of the Board. Any person so appointed shall retain his office only up to the date up to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid but he shall then be eligible for re-election.

97) APPOINTMENT OF ADDITIONAL DIRECTORS

The Directors shall also have power at any time and from time to time to appoint any other person to be a Director as an addition to the Board under Section 161 of the Act but so that the total number of Directors shall not at any time exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upto the date of the next annual general meeting but shall be eligible for election at such meeting.

98) APPOINTMENT OF OTHER DIRECTORS

The Board shall appoint Woman Director and Independent Director in the manner required under the provisions of Act and other applicable laws.

99) APPOINTMENT OF MANAGING DIRECTOR OR MANAGING DIRECTOR(S) OR WHOLE TIME DIRECTOR OR WHOLE TIME DIRECTOR(S)

Subject to the provisions of Section 196 / 203 and other applicable provisions of the Act and these Articles, the Board shall have power to appoint or reappoint from time to time 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 or reappoint him or them from office and appoint another or others in his or their place or places.

100) REMUNERATION OF DIRECTORS

- 1) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 2) The remuneration payable to the Directors, including any managing or whole-time director or manager, if any, shall be determined, in accordance with and subject to the provisions of the Act.
- 3) In addition to the remuneration payable to them in pursuance of the Act, the Directors may be paid all travelling, hotel, sitting fees and other expenses properly incurred by them –
 - a) in attending, and returning from meetings of the Board of Directors or any committee thereof or general meetings of the Company; or
 - b) in connection with the business of the Company
 - c) Subject to the provisions of the Act, every Director shall be paid out of the funds of the Company such sum as the Board may from time to time determine for attending every meeting of the Board or any committee of the Board, subject to the ceiling prescribed under the Act.

- 4) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

PROCEEDING OF THE BOARD OF DIRECTORS

101) MEETINGS OF DIRECTORS

- (a) A meeting of the Board of Directors shall be held at least four (4) times every year and not more than 120 days shall lapse between two (2) Board meetings.
- (b) No business shall be conducted at any meeting of the Directors unless a quorum is present. The quorum for the meeting of the Board shall be one third of its total strength or 2 (two) Directors, whichever is higher, and the participation of the Directors by video conferencing or by other audio-visual means or any other means (to the extent permitted under the Act and the rules framed thereunder or otherwise provided by the Ministry of Corporate Affairs), in each case from time to time, shall also be counted for the purposes of quorum, provided that where at any time the number of interested Directors is equal to or exceeds two-thirds of the total strength of the Board, the number of remaining Directors, that is to say the number of Directors who are not interested and present at the meeting being not less than 2 (two), shall be the quorum during such time.
- (c) If quorum is found to be not present within 30 (thirty) minutes from the time when the meeting should have begun or if during the meeting, valid quorum no longer exists, the meeting shall be reconvened at the same time and at the same place 7 (seven) days later. At the reconvened meeting, the Directors present and not being less than 2 (two) persons shall constitute the quorum and may transact the business for which the meeting was called and any resolution duly passed at such meeting shall be valid and binding on the Company.

102) WHEN MEETING TO BE CONVENED

- i) The Chairperson or any one Director with the previous consent of the Chairperson may, or the company secretary on the direction of the Chairperson shall, at any time, summon a meeting of the Board.
- ii) The participation of Directors in a meeting of the Board may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

103) QUORUM

The quorum for the Board meeting shall be as provided above.

104) CHAIRMAN

The Chairperson of the Company shall be the Chairperson at meetings of the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present may choose one of the Directors to be Chairperson of the meeting.

105) QUESTIONS AT BOARD MEETING HOW DECIDED

Subject to provisions of the Act, questions arising at any meeting of the Board shall be decided by a simple majority of votes, and in case of equality of votes, the chairman shall have second or casting vote.

106) CIRCULAR RESOLUTION

Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held provided that a draft of such resolution together with the information required to make a fully-informed good faith decision with respect to such resolution and appropriate documents required to evidence passage of such resolution, if any necessary papers, if any, was sent to all of the Directors or members of the committee (as the case may be) at their addresses registered with the Company in India

by hand delivery or by post or by courier, or through such electronic means as may be prescribed under the Act, and has been approved by a majority of the Directors or members who are entitled to vote on the resolution.

107) ACTS OF BOARD OR COMMITTEE VALID NOTWITHSTANDING DEFECT IN APPOINTMENT

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 one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be 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. Provided nothing in this Article shall be deemed to give validity to acts done by a director after his appointment has been shown to the Company to be invalid or to have been terminated.

Every Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the disclosures already made, then the first meeting held after such change, disclose his concern or interest in any company, companies or bodies corporate, firms or other associations of individuals which shall include the shareholding in such manner as may be prescribed under the Act and the rules framed thereunder.

108) GENERAL POWERS OF THE COMPANY VESTED IN BOARD

The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made. The Board shall also undertake the corporate social responsibility activities under the provisions of the Act.

The Board may at any time and from time to time by authority letter, board resolution, power of attorney or otherwise appoint any person or persons to be the authorized persons, delegates 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) and for such periods and subject to such conditions as the Board may from time to time think fit, and may contain powers enabling such authorized persons, delegates or attorneys as aforesaid to sub-delegate/authorise all or any of the powers, authorities and discretions for the time being vested in them.

109) BORROWING POWERS

Subject to the provisions of the Act and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow money from time to time including but not limited to fund based and non-fund based credit facilities from Bankers and other eligible lenders, loans, fixed deposits etc. for the purpose of the business of the Company to be secured in such manner and upon such terms and conditions as the Board of Directors may think fit.

110) ISSUE OF DEBENTURES

The Board has power to issue debentures of various kinds from time to time.

The Board may, from time to time, at its discretion raise for the purpose of the Company's business such of money as they think fit. The Board may raise any such sums as aforesaid by the issue, at such price as it may think fit, of debentures of debentures-stock, either charged upon the whole or any part of the property and assets of the Company or not so charged or in such other way as the Board may think expedient.

111) DELEGATE POWERS

Subject to the provisions of the Act including Section 179, as applicable, the Board may, from time to time, and at any time, delegate to any persons so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than its power to make calls or to make loans or borrow moneys; and to authorise the member for the time being of any such Local Board, or any of them, to fill up any vacancies therein and to act

notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

112) BOARD MAY APPOINT COMMITTEES

- i) The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Act and of these Articles appoint committee of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time revoke and discharge any such committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation that may from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointment, but not otherwise, shall have the like force and effect, as if done by the Board.
- ii) The participation of Directors in a meeting of the Committee may be either in person or through video conferencing or audio-visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.

113) CHAIRMAN OF COMMITTEE OF DIRECTORS

- i) Committee may elect a Chairperson of its meetings unless the Board, while constituting a Committee, has appointed a Chairperson of such Committee.
- ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

114) FUNCTIONING OF THE COMMITTEE

- 1) A Committee may meet and adjourn as it thinks fit.
- 2) Questions arising at any meeting of a Committee shall be determined by a simple majority of votes of the members present.
- 3) In case of an equality of votes, the Chairperson of the Committee shall have a second or casting vote.

115) CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act;

- i) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board; the Board may appoint one or more chief executive officers for its multiple businesses.
- ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

The Board shall have the power to appoint an individual as the chairperson of the Company as well as the managing director or chief executive officer of the Company at the same time.

A whole-time director / chief financial officer / company secretary of the Company are severally authorised to sign any document or proceeding requiring authentication by the Company or any contract made by or on behalf of the Company.

Any 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.

116) STATUTORY REGISTERS

The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of debenture holders, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during 11.00 a.m. to 1.00 p.m. on all working days, other than Saturdays, at the registered office of the Company only by the persons entitled thereto under the Act, on payment, where required, of such fees as may be fixed by the Board but not exceeding the limits prescribed by the Rules. Subject to aforesaid the Board shall have a power to refuse inspection to any other person, at its discretion.

117) FOREIGN REGISTERS

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such Articles as it may think fit respecting the keeping of any such register. The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, mutatis mutandis, as is applicable to the register of members.

118) DIVIDENDS AND RESERVE

- i. Company in general meeting may declare dividends.

The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board but the Company in general meeting may declare a lesser dividend.

- ii. Interim dividends

Subject to the provisions of the Act, the Board may from time-to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit.

- iii. Dividends only to be paid out of profits

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 applied 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.

- iv. Carry forward of profits

The Board may subject to provisions of the Act also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

- v. Payments in Advance

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share.

- vi. Dividends to be Apportioned

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.

- vii. No member to receive dividend whilst indebted to the Company and Company's right to reimbursement therefrom

The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

viii. Retention of dividends

The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause herein before contained, entitled to become a member, until such person shall become a member in respect of such shares.

ix. Dividend how Remitted

A dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or 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.

Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

x. Discharge to Company

Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

xi. Receipt of one holder sufficient

Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

xii. No interest on Dividends

No dividend shall bear interest against the Company.

xiii. Waiver of Dividends

The waiver in whole or in part of any dividend on any share by any document (whether or not under seal) shall be effective only if such document is signed by the member (or the person entitled to the share in consequence of the death or bankruptcy of the holder) and delivered to the Company and if or to the extent that the same is accepted as such or acted upon by the Board.

119) Winding up

The Company may be wound up in accordance with the Act and the Insolvency and Bankruptcy Code, 2016 (to the extent applicable).

120) Accounts

Subject to the provisions of the Act, the Company shall keep at its registered office, proper books of accounts and other relevant books and papers and financial statement for every financial year which give a true and fair view of the state of the affairs of the Company, including that of its branch office or offices, if any, and explain the transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting, provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board may decide and when the Board so decides the Company shall, within 7 (seven) days of the decision file with the registrar a notice in writing giving the full address of that other place, provided further that the Company may keep such books of accounts or other relevant papers in electronic mode in such manner as provided in Section 128 of the Act and the rules framed thereunder.

The Board shall be entitled from time to time to 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. Each Director shall be entitled to examine the books, accounts

and records of the Company, and shall have free access, at all reasonable times and with prior written notice, to any and all properties and facilities of the Company. The Company shall provide such information relating to the business, affairs and financial position of the Company as any Director may reasonably require.

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.

All the aforesaid books shall give a true and fair view of the Company's affairs with respect to the matters aforesaid and explain its transactions.

The books of accounts of the Company relating to past periods shall be preserved in good order in compliance with applicable laws.

121) Unpaid or unclaimed dividend

Where the Company has declared a dividend which has not been paid or the dividend warrant in respect thereof has not been posted or sent within thirty days from the date of declaration to any shareholder entitled to payment of the dividend, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within seven days from the date of expiry of the said period of thirty days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "unpaid dividend account". No unclaimed dividend shall be forfeited by the Board before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the fund established under sub-section (1) of Section 125 of the Act, viz. "Investors education and protection fund".

122) INDEMNITY AND INSURANCE

1) Directors and officers right to indemnity

- (a) Subject to the provisions of the Act, every director, managing director, whole-time director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified by the Company out of the funds of the Company, to pay all costs, losses and expenses (including travelling expense) which such director, manager, company secretary and officer may incur or become liable for by reason of any contract entered into or act or deed done by him in his capacity as such director, manager, company secretary or officer or in any way in the discharge of his duties in such capacity except such suits, proceedings, cost, charges, losses, damage and expenses, if any, that such director, manager, company secretary and officer shall incur or sustain, by or through his own willful neglect or default.
- (b) Subject as aforesaid, every director, managing director, manager, chief executive officer, chief financial officer, company secretary and officer of the Company shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under applicable provisions of the Act in which relief is given to him by the Court.

Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the gross negligence, willful misconduct or bad faith acts or omissions of such director, managing director, manager, chief executive officer, chief financial officer, company secretary or officer.

2) Insurance

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and / or former Directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

123) CAPITALISATION

- 1) The Company in General Meeting by Ordinary Resolution may, upon the recommendation of the Board, resolve:

- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of 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 no. 2 amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause no. 3 either in or towards:-
- (a) paying up any amount for the time being unpaid on any shares held by such members respectively;
 - (b) paying up in full un-issued shares of the Company to the allocated and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or
 - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b).
- (3) A share premium account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued share to be issued to members of the Company as fully paid Bonus Shares.
- (4) the Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
- (5) Any agreement made under such authority shall be effective and binding on such members.

124) SECRECY CLAUSE

Every director, manager, auditor, secretary, 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 Director, before and any time after entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions, operations, business and affairs of the Company and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Board or by law.

125) NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION

No member or other person (not being a Director) shall, without the prior written permission of the Chairperson of the Company or Managing Director be entitled to visit or inspect any property or premises of the Company or to require discovery of or any information respecting any detail of the Company's trading, operation or business, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Chairperson/Managing Director, it would be inexpedient in the interest of the Company to disclose.

SECTION XIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for filing. Copies of the above mentioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days (Monday to Friday) from the date of this Draft Prospectus until the Offer Closing Date. The copies of the contracts and documents for inspection referred to hereunder will be uploaded on the website of our Company at <https://bhavikenterprises.com/> and will be available for inspection from date of the Draft Prospectus until the Offer Closing Date (except for such agreements executed after the offer Closing Date).

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time, if so required, in the interest of our Company or if required by the other parties, without reference to the Equity Shareholders, subject to compliance with applicable law.

MATERIAL CONTRACTS

1. Offer Agreement dated March 21, 2025 between our Company, the Selling Shareholders and the Lead Manager.
2. Registrar Agreement dated March 21, 2025 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Market Making Agreement dated March 21, 2025 between our Company, the Selling Shareholders, the Lead Manager and Market Maker.
4. Underwriting Agreement dated March 21, 2025 between our Company, the Selling Shareholders, the Lead Manager and the Underwriter.
5. Banker(s) to the Offer Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager, Banker(s) to the Offer and the Registrar to the Offer.
6. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders, the Lead Manager and the Share Escrow Agent.
7. Tripartite agreement between the CDSL, our Company and the Registrar to the Offer dated October 11, 2024.
8. Tripartite agreement between the NSDL, our Company and the Registrar to the Offer dated November 12, 2024.

MATERIAL DOCUMENTS

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Copy of Certificate of Incorporation dated September 15, 2008 issued by the RoC under the name *Bhavik Enterprises Limited*.
3. Resolution of the Board of Directors dated March 03, 2025, in relation to the Offer.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held on March 05, 2025, in relation to the Offer.
5. Board Resolution dated April 25, 2025 for approval of Draft Prospectus, dated for [●] approval of Prospectus.
6. Examination report for Restated Financial Statements dated April 18, 2025, from our Peer Review Auditor included in this Draft Prospectus.
7. The Statement of Possible Tax Benefits dated April 12, 2025, from our Peer Review Auditor included in this Draft Prospectus.

8. Copies of Audited Financial Statements of the Company for the period ended on December 31, 2024 and for the financial years ended on March 31, 2024, March 31, 2023 and March 31, 2022.
9. Consents of our Directors, Promoters, Selling Shareholder, Company Secretary and Compliance Officer, Chief Financial Officer, Senior Management Personnel, Statutory and Peer Review Auditors, Banker(s) to the Company, Lead Manager, Legal Advisor to the Offer, Registrar to the Offer, *Banker to the Offer, *Share Escrow Agent, D & B India, Underwriter, Monitoring Agency* and Market Maker to act in their respective capacities
10. Industry report entitled " Industry Report on Indian Petrochemical Industry " dated December 24,2024 and paid for by our Company, issued by D&B India.
11. Certificate on KPI's issued by the Peer Review Auditor M/s. M Parashar & Co., Chartered Accountants, by way of their certificate dated April 12, 2025.
12. Site Visit Report prepared by the Lead Manager.
13. Due Diligence Certificate dated [●] addressed to SEBI along with the site visit report by the Lead Manager.
14. In principle Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME.

In principle Approval from BSE vide letter dated [●] to use the name of BSE in this Offer Document for listing of Equity Shares on the BSE SME. Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, without the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes. We confirm that there are no other agreements, arrangements and clauses or covenants which are material and which need to be disclosed or the non-disclosure of which may have bearing on the investment decision in the Offer, other than the ones which have already been disclosed in this Draft Prospectus.

**The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*

DECLARATION

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines or regulations issued by the Government and / or the guidelines or regulations issued by the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, amended, or the rules made thereunder or Guidelines / Regulations issued, as the case may be. We further certify that all statements and disclosures made in this Draft Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

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| Sd/- Mr. Mukesh Natverlal Thakkar Chairman cum Whole-Time Director DIN: 01867515 | Sd/- Mr. Bhavik Mukesh Thakkar Managing Director DIN: 01867522 |
| Sd/- Ms. Purnima Mukesh Thakkar Executive Director DIN: 02262042 | Sd/- Ms. Jeny Vinod Kumar Gowadia Non-Executive Independent Director DIN: 03014009 |
| Sd/- Mr. Manishkumar Anjanikumar Dhanuka Non-Executive Independent Director DIN: 03272845 | Sd/- Mr. Jayesh Jaysinh Kapadia Non-Executive Independent Director DIN: 10836880 |

SIGNED BY THE CFO AND CS OF OUR COMPANY

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| Sd/- Mr. Anish Shah Chief Financial Officer | Sd/- Mr. Nikhil D Bhatt Company Secretary and Compliance Officer |
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Date: April 25, 2025

Place: Mumbai, Maharashtra

DECLARATION BY SELLING SHAREHOLDERS

We hereby confirm and certify that all statements, disclosures and undertakings specifically made or confirmed in this Draft Prospectus in relation to ourselves, as Selling Shareholders and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other person(s) in this Draft Prospectus.

SIGNED BY THE SELLING SHAREHOLDERS

| | | |
|---|--|---|
| Sd/- Mr. Mukesh Natverlal Thakkar Promoter Selling Shareholder | Sd/- Mr. Bhavik Mukesh Thakkar Promoter Selling Shareholder | Sd/- Ms. Purnima Mukesh Thakkar Promoter Selling Shareholder |
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Date: April 25, 2025

Place: Mumbai, Maharashtra