



## Siddhika Coatings Limited

Our Company was incorporated on July 20, 2010 as Siddhika Coatings Private Limited under the provisions of the Companies Act, 1956 with Certificate of Incorporation bearing Registration Number 206024 dated July 20, 2010 issued by the Registrar of Companies, NCT of Delhi & Haryana. Subsequently our Company was converted into a public limited company pursuant to special resolution passed at the Extra Ordinary General Meeting of our Company held on October 30, 2019. A fresh certificate of incorporation consequent upon conversion to Siddhika Coatings Limited was issued on January 14, 2020 by the Registrar of Companies, NCT of Delhi & Haryana. The Corporate Identification Number of our Company post conversion is U45400DL2010PLC206024. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 56 and 126 respectively of this Draft Prospectus.

**Registered office:** L-9, Lower Ground Floor Kalkaji New Delhi South Delhi, Delhi 110019, India.  
**Tel:** +(91)-(11)-41601441; **E-mail:** secretarial@siddhika.com; **Website:** www.siddhika.com;  
**Contact Person:** Mr. Ashish Kumar Sonwani, Company Secretary and Compliance Officer

| PROMOTER OF THE COMPANY: SIDDHIKA BUSINESS APPLICATIONS PRIVATE LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>INITIAL PUBLIC ISSUE OF UPTO 8,24,000 EQUITY SHARES OF FACE VALUE OF RS.10 EACH OF SIDDHIKA COATINGS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO RS. [●] ("THE ISSUE"), OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF RS. [●] EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO RS. [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF 10 EACH AT A PRICE OF RS. [●] PER EQUITY SHARE AGGREGATING TO RS. [●] IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ICDR) REGULATIONS, 2018 AS AMENDED FROM TIME TO TIME.<br/> For further details see "Terms of the Issue" beginning on page 223 of this Draft Prospectus.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility process including through UPI mode (as applicable) for making payment providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") as per the SEBI circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. For further details, please refer to section titled "Issue Procedure" beginning on page 234 of this Draft Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15 % per annum for the period of delay.</p>                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10/- EACH AND THE ISSUE PRICE IS [●] TIME OF THE FACE VALUE.<br/> This Issue is being made in terms of chapter IX of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (The "SEBI (ICDR) Regulations"), As amended, in terms of Rule 19(2)(B)(I) of the Securities Contracts (Regulation) Rules, 1957, As amended, this is an Issue for at least 25% Of the Post-Issue Paid-Up Equity Share Capital of our Company. This Issue is a Fixed Price Issue and Allocation in the Net Issue to the Public will be made Terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 as amended. For Further Details, refer "Issue Procedure" on page 234.</p>                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| RISK IN RELATION TO THE FIRST ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>This being the first public Issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is Rs. 10 each and the Issue Price is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in "Basis for Issue Price" on page 95 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.</p>                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| GENERAL RISKS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 29 of this Draft Prospectus.</p>                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ISSUER'S ABSOLUTE RESPONSIBILITY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| LISTING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>The Equity Shares offered through the Draft Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange ("NSE EMERGE"). In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principle Approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the EMERGE platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").</p>                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| LEAD MANAGER                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | REGISTRAR TO THE ISSUE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|  <p><b>UNISTONE CAPITAL PRIVATE LIMITED</b><br/> 12, Floor no - 2, Shashank CHS LTD,<br/> Manmala Tank Road, Near Starcity Cinema,<br/> Mahim, Mumbai- 400016, India.<br/> <b>Telephone:</b> +91 9322997964<br/> <b>Email:</b> mb@unistonecapital.com<br/> <b>Investor grievance email:</b> compliance@unistonecapital.com<br/> <b>Contact Person:</b> Mr. Brijesh Parekh<br/> <b>Website:</b> www.unistonecapital.com<br/> <b>SEBI registration number:</b> INM000012449<br/> <b>CIN:</b> U74120MH2015PTC270984</p>                                                                                                                                                                                                                                                                                                                                                                                     |  <p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b><br/> D-153A, 1st Floor, Okhla Industrial Area Phase-I,<br/> New Delhi – 110020, India<br/> <b>Telephone:</b> 011 40450193-97<br/> <b>Facsimile:</b> 011 26812682<br/> <b>Email:</b> viren@skylinert.com<br/> <b>Investor grievance email:</b> info@skylinert.com<br/> <b>Contact Person:</b> Ms. Sarita Singh<br/> <b>Website:</b> www.skylinert.com<br/> <b>SEBI Registration Number:</b> INE00003241<br/> <b>CIN:</b> U74899DL1995PTC071324</p> |
| ISSUE PROGRAMME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| ISSUE OPENS ON: [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | ISSUE CLOSES ON: [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.*

*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 the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.*

Notwithstanding the foregoing, terms used in of the sections “Statement of Tax Benefits”, “Financial Information” and “Main Provisions of the Articles of Association” on page 98, 156, and 266, respectively, shall have the meaning ascribed to such terms in such sections.

### GENERAL TERMS

| Term                                                                                              | Description                                                                                                                                                                                                                                        |
|---------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “SCL”, “The Company”, “Our Company” and “Siddhika Coatings Limited” or “The Issuer” or “Siddhika” | Siddhika Coatings Limited, a Company incorporated in India under the Companies Act, 1956 having its Registered Office at L-9, Lower Ground Floor, Kalkaji, New Delhi, South Delhi, Delhi 110019                                                    |
| “we”, “us” and “our”                                                                              | Unless the context otherwise indicates or implies, refers to our Company                                                                                                                                                                           |
| “you”, “your” or “yours”                                                                          | Prospective investors in this Issue                                                                                                                                                                                                                |
| Our Promoter                                                                                      | The Promoter of our Company, namely, Siddhika Business Applications Private Limited                                                                                                                                                                |
| Promoter Group                                                                                    | Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoter and Promoter Group” on page no. 147 of this Draft Prospectus. |

### COMPANY RELATED TERMS

| Term                                   | Description                                                                                                                                                                                                          |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| AoA/ Articles/ Articles of Association | The articles of association of Siddhika Coatings Limited., as amended from time to time.                                                                                                                             |
| Associate Companies                    | A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.                                    |
| Auditors / Statutory Auditors          | The Statutory Auditors of our Company, being M/s V C A N & CO., Chartered Accountants (FRN: 0125172W) having their office at 8.05, 8th Floor, H B Twin Tower, Netaji Subhash Place, Delhi - 110034, India.           |
| Audit Committee                        | The Committee of the Board of Directors constituted on December 03, 2020 as per the provisions of Section 177 of the Companies Act, 2013, as described in “Our Management” on page no. 132 of this Draft Prospectus. |

| Term                                       | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Board of Directors / the Board / our Board | The Board of Directors of Siddhika Coatings Limited., including all duly constituted Committees thereof. For further details of our Directors, please refer to chapter titled " <i>Our Management</i> " beginning on page 132 of this Draft Prospectus.                                                                                                                                                                                                                                  |
| Chief Financial Officer                    | The Chief financial Officer of our Company being Mr. Chandan Tiwari.                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Company Secretary and Compliance Officer   | The Company Secretary and Compliance Officer of our Company being Mr. Ashish Kumar Sonwani.                                                                                                                                                                                                                                                                                                                                                                                              |
| Director(s)                                | The Director(s) of our Company, unless otherwise specified.                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Equity Shares                              | Equity Shares of our Company of Face Value of ₹ 10 each unless otherwise specified in the context thereof.                                                                                                                                                                                                                                                                                                                                                                               |
| Equity Shareholders                        | Persons/ Entities holding Equity Shares of our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Group Companies                            | In terms of SEBI ICDR Regulations, the term " <i>Group Companies</i> " includes companies (other than promoter and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in " <i>Our Group Companies</i> " on page no. 151 of this Draft Prospectus. |
| HUF                                        | Hindu Undivided Family.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| IBC                                        | The Insolvency and Bankruptcy Code, 2016                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| IFRS                                       | International Financial Reporting Standards                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Independent Director                       | A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.                                                                                                                                                                                                                                                                                                                                                                                       |
| Indian GAAP                                | Generally Accepted Accounting Principles in India                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| ISIN                                       | International Securities Identification Number. In this case being – INE0A1E01018                                                                                                                                                                                                                                                                                                                                                                                                        |
| IT Act                                     | The Income Tax Act, 1961 as amended till date                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Key Management Personnel/ KMP              | Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled " <i>Our Management</i> " on page 132 of this Draft Prospectus.                                                                                                                                                                                                                                                                                  |
| JV/ Joint Venture                          | A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.                                                                                                                                                                                                                                                                                                                                                                      |
| MD                                         | Managing Director                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Materiality Policy                         | The policy on identification of group companies, material creditors and material litigation, adopted by our Board on January 12, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations                                                                                                                                                                                                                                                                                 |
| MOA/ Memorandum/ Memorandum of Association | Memorandum of Association of Siddhika Coatings Limited as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                     |
| Nomination and Remuneration Committee      | The Nomination and Remuneration committee of our Board constituted in accordance the Companies Act, 2013                                                                                                                                                                                                                                                                                                                                                                                 |
| Non- Executive Director                    | A Director not being an Executive Director or an Independent Director                                                                                                                                                                                                                                                                                                                                                                                                                    |
| NRI/ 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.                                                                                                                                                                                                                                     |
| Peer Review Auditor                        | Independent Auditor having a valid Peer Review certificate in our case being M/s VCAN & Co., Chartered Accountants.                                                                                                                                                                                                                                                                                                                                                                      |

| Term                                                                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| RBI Act                                                                                              | The Reserve Bank of India Act, 1934 as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Registered Office                                                                                    | L-9, Lower Ground Floor Kalkaji, New Delhi, South Delhi, Delhi 110019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Reserve Bank of India/RBI                                                                            | Reserve Bank of India constituted under the RBI Act.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Restated Financial Information                                                                       | Restated consolidated financial statements of our Company and Subsidiaries which comprise the restated consolidated statement of assets and liabilities as at and for the period ended September 30, 2020, and the financial years ended March 31, 2020, 2019 and 2018, the restated consolidated statement of profit and loss (including other comprehensive income) and restated consolidated statement of changes in equity for each of the six months ended September 30, 2020 and each of the financial years ended March 31, 2020, 2019 and 2018 and the restated consolidated statement of cash flows for the six months ended September 30, 2020 and the financial years ended March 31, 2020, 2019 and 2018 and the summary of significant accounting policies, read with annexures and notes thereto and the examination reports thereon and other financial information for the financial years then ended, prepared in terms of the requirements of Section 26 of the Companies Act, the SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time and included in the section titled “ <i>Financial Information</i> ” on page 156 of this Draft Prospectus. |
| RoC/ Registrar of Companies                                                                          | Registrar of Companies, National Capital Territory of Delhi & Haryana                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| SEBI                                                                                                 | Securities and Exchange Board of India constituted under the SEBI Act, 1992.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| SEBI Act                                                                                             | Securities and Exchange Board of India Act, 1992, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| SEBI (ICDR) Regulation/ ICDR Regulations/ Regulation                                                 | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| SEBI Takeover Regulations or SEBI (SAST) Regulations                                                 | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| SEBI (Venture Capital) Regulations                                                                   | Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| SEBI Insider Trading Regulations                                                                     | The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| SEBI Listing Regulation 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR) Regulations | The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Subsidiary                                                                                           | AB Coatings Private Limited. For further details of our Subsidiary, refer section titled “ <i>History and Corporate Matters</i> ” beginning on page 126 of this Draft Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| SICA                                                                                                 | Sick Industrial Companies (Special Provisions) Act, 1985.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Term                                 | Description                                                                                                                                                                                                         |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Stakeholder's Relationship Committee | Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI (LODR) Regulations and the Companies Act, 2013                                                         |
| Stock Exchange                       | Unless the context requires otherwise, refers to, National Stock Exchange of India Limited                                                                                                                          |
| Sub- Account                         | Sub- accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals. |
| Subscriber to MOA                    | Initial Subscribers to the MOA & AOA being Ms. Sandhya Diwan and Ms. Renu Bareja                                                                                                                                    |
| WTD                                  | Whole-time Director                                                                                                                                                                                                 |

## ISSUE RELATED TERMS

| Term                                            | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acknowledgement Slip                            | The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Allot /<br>Allotment /<br>Allotted              | Unless the context otherwise requires, means the allotment of the Equity Shares to successful Applicants, pursuant to the Fresh Issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Allottee (s)                                    | A successful applicant to whom the Equity Shares are being/have been allotted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Applicant/<br>Investor                          | Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application form.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Application Amount                              | The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Draft Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Application Form                                | The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purpose of this Draft Prospectus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Application Supported by Blocked Amount/ ASBA   | <p>An application, whether physical or electronic, used by all applicants to make an application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the Application Amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.</p> <p>Pursuant to SEBI Circular dated November 10, 2015 and bearing Reference No. CIR/CFD/POLICYCELL/11/2015 which shall be applicable for all public issues opening on or after January 01, 2016, all the investors shall apply through ASBA process only.</p> |
| ASBA Account                                    | Account maintained by the Applicant with an SCSB which will be blocked by such SCSB or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI Mechanism to the extent of the Application Amount of the Applicant                                                                                                                                                                                                                                                                                                                                                                                                    |
| ASBA Application Location (s)/ Specified Cities | Cities as specified in the SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011, namely, Ahmedabad, Bangalore, Baroda (Vadodara), Chennai, Delhi, Hyderabad, Jaipur, Kolkata, Mumbai, Pune, Rajkot and Surat.                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Bankers to our Company                          | ICICI Bank Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| Term                                                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Banker to the Issue and Refund Banker/ Public Issue Bank | Banks which are Clearing Members and registered with SEBI as Banker to an Issue and with whom the Public Issue Account will be opened, in this case being [●].                                                                                                                                                                                                                                                                                                                                                                              |
| Banker to the Issue Agreement                            | Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar to the Issue and the Banker to the Issue/ Sponsor Bank on the terms and conditions thereof                                                                                                                                                                                                                                                                                                                                                                |
| Basis of Allotment                                       | The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in the chapter titled “ <i>Issue Procedure</i> ” beginning on page no. 234 of this Draft Prospectus.                                                                                                                                                                                                                                                                                                                  |
| Broker Centres                                           | Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the Stock Exchange.                                                                                                                                                                                                                                                   |
| NSE                                                      | National Stock Exchange of India Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Business Day                                             | Monday to Friday (except public holidays).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| CAN or 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 Participants or CDPs               | 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. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI                                                                                                                                                                                                                                                                           |
| Controlling Branches of the SCSBs                        | Such branches of the SCSBs which coordinate with the LM, the Registrar to the Issue and the Stock Exchange.                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Demographic Details                                      | The demographic details of the applicants such as their Address, PAN, name of the applicants father/husband, investor status, Occupation and Bank Account details and UPI ID wherever applicable.                                                                                                                                                                                                                                                                                                                                           |
| Depository / Depositories                                | A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.                                                                                                                                                                                                                                                                                                                                                                                       |
| Designated Date                                          | The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Draft Prospectus following which Equity Shares will be Allotted in the Issue |
| Designated Intermediaries/ Collecting Agent              | <p>In relation to ASBA Forms submitted by RIIs authorising an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.</p> <p>In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs</p>                                                                        |

| Term                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             | In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs                                                                                                                                                                                                                                                                                                                                                   |
| Designated CDP Locations                    | Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                                                                                                     |
| Designated RTA Locations                    | Such locations of the RTAs where Applicants can submit the Application Forms to RTAs and in case of RIIs only ASBA Forms with UPI. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a>                                                                                                                                           |
| Designated Intermediaries/ Collecting Agent | An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock Broker registered with recognized Stock Exchange, a Depository Participant, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity)                                                                                                                                                                           |
| Designated SCSB Branches                    | Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Designated Stock Exchange                   | National Stock Exchange of India Limited ("NSE EMERGE")                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| DP                                          | Depository Participant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| DP ID                                       | Depository Participant's Identity Number                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Draft Prospectus                            | This Draft Prospectus dated February 09, 2021 issued in accordance with Section 26 of the Companies Act, 2013 and the SEBI (ICDR) Regulations.                                                                                                                                                                                                                                                                                                                                                                                  |
| Eligible NRI(s)                             | A Non Resident Indian in a jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares of the Issuer.                                                                                                                                                                                                                                     |
| Equity Shares                               | Equity Shares of our Company of face value Rs. 10/- each                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Electronic Transfer of Funds                | Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Eligible QFIs                               | QFIs from such jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to purchase the Equity shares issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.                                                                                                                                                                                                     |
| FII/ Foreign Institutional Investors        | Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.                                                                                                                                                                                                                                                                                                                                                     |
| First/ Sole Applicant                       | The Applicant whose name appears first in the Application Form or the Revision Form and in case of joint Applicants, whose name appears as the first holder of the beneficiary account held in joint names                                                                                                                                                                                                                                                                                                                      |

| Term                                                                                                          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Foreign Venture Capital Investors                                                                             | Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.                                                                                                                                                                                                                                                                                                                                                  |
| Foreign Portfolio Investor / FPIs                                                                             | A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended                      |
| Fugitive Economic Offender                                                                                    | An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018                                                                                                                                                                                                                                                                                                                                                     |
| General Information Document/ GID                                                                             | The General Information Document for investing in public issues prepared and issued in accordance with the circulars (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 notified by SEBI. The General Information Document shall be made available on the websites of the Stock Exchanges, the Lead Manager |
| Issue / Public Issue / Issue size/ Initial Public Issue / Initial Public Offer/ Initial Public Offering / IPO | The Public Issue 8,24,000 Equity shares of face value of ₹ 10 each for cash at issue price of Rs. [●] per Equity share, including a premium of Rs. [●] per equity share aggregating to Rs. [●] Lakhs.                                                                                                                                                                                                                                                                        |
| Issue Agreement                                                                                               | The Agreement dated February 08, 2021, entered amongst our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue                                                                                                                                                                                                                                                                                                       |
| Issue Closing Date                                                                                            | The date on which the Issue closes for subscription being [●]                                                                                                                                                                                                                                                                                                                                                                                                                |
| Issue Opening Date                                                                                            | The date on which the Issue opens for subscription being [●]                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Issue Period                                                                                                  | The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.                                                                                                                                                                                                                                                                                                           |
| Issue Price                                                                                                   | The Price at which the Equity Shares will be issued by our Company under the Prospectus being Rs. [●] per equity share.                                                                                                                                                                                                                                                                                                                                                      |
| Issue Proceeds                                                                                                | Proceeds to be raised by our Company through this Issue, for further details please refer chapter titled “Objects of the Issue” page no. 89 of this Draft Prospectus                                                                                                                                                                                                                                                                                                         |
| Issue Size                                                                                                    | The Public Issue up to 8,24,000 Equity shares of Rs. 10 each at price of ₹ [●] per Equity share, aggregating to ₹ [●] lakhs by our Company                                                                                                                                                                                                                                                                                                                                   |
| Lead Manager/ LM                                                                                              | Lead Manager to the Issue, in this case being Unistone Capital Private Limited.                                                                                                                                                                                                                                                                                                                                                                                              |
| Listing Agreement                                                                                             | Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited                                                                                                                                                                                                                                                                                                                |
| Lot Size                                                                                                      | The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants                                                                                                                                                                                                                                                                                              |

| Term                             | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Market Maker                     | Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform. In our case, [●] 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                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Market Making Agreement          | The Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Market Maker Reservation Portion | The reserved portion of [●] Equity Shares of face value of ₹10/- each fully paid for cash at an Issue price of Rs. [●] each aggregating to Rs. [●] Lakh to be subscribed by Market Maker in this issue.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Minimum Promoter's Contribution  | Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoter which shall be provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of Allotment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Mobile App(s)                    | The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Mutual Funds                     | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Net Issue                        | The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. [●] per Equity Share (the "Issue Price"), including a share premium of Rs. [●] per equity share aggregating to Rs. [●] (In Lakhs).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Net Proceeds                     | The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled " <i>Objects of the Issue</i> " beginning on page no. 89 of this Draft Prospectus                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Non-Institutional Investors      | All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹ 2.00 Lakhs (but not including NRIs other than Eligible NRIs)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Non-Resident or NR               | A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Other Investor                   | Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| NSE Emerge Platform              | SME Platform of NSE i.e, NSE EMERGE Platform, approved by SEBI as a platform for listing of equity shares Offered under Chapter IX of the SEBI ICDR Regulations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Overseas Corporate Body          | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 3, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue. |

| Term                                        | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Prospectus                                  | The Prospectus dated [●], to be filed with the RoC containing, inter alia, the Issue opening and Closing date and other information.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Public Issue Account                        | Account opened with the Bankers to the Issue to receive monies from the SCSBs from the bank account of the Applicant, on the Designated Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Qualified Institutional Buyers or QIBs      | A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Refund Account                              | The account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Application Amount to the Applicants shall be made                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Refund Bank(s)                              | The Bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Refund Account will be opened, in this case being [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Registered Brokers                          | Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 issued by SEBI.                                                                                                                                                                                                                                                                                          |
| Registrar Agreement                         | The agreement dated December 16, 2020 entered into between our Company, and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Registered Broker                           | Individuals or companies registered with SEBI as “Trading Members” (except Syndicate/Sub-Syndicate Members) who hold valid membership of either NSE or NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="https://www.NSEindia.com/members/MembershipDirectory.aspx?expandable=2">https://www.NSEindia.com/members/MembershipDirectory.aspx?expandable=2</a> or <a href="http://www.nseindia.com/membership/content/cat_of_mem.htm">http://www.nseindia.com/membership/content/cat_of_mem.htm</a> |
| Regulations                                 | SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Reserved Category/ Categories               | Categories of persons eligible for making application under reservation portion.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Reservation Portion                         | The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI (ICDR) Regulations, 2018.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Retail Individual Investor(s)/ RII(s)       | Individual Applicants or minors applying through their natural guardians, (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2.00 lakhs in this Issue                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Revision Form                               | The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Issue Closing Date).                                                                                                                                                                       |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 DATED November 10, 2015 issued by SEBI.                                                                                                                                                                                                                                                                                                                                                                                                            |
| SEBI SAST / SEBI (SAST) Regulations         | SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| SEBI Listing Regulations                    | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Self Certified Syndicate                    | Banks registered with SEBI, offering services                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |

| Term                                                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bank(s) / SCSB(s)                                    | <p>i. in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or such other website as updated from time to time, and</p> <p>ii. in in relation to RIIs using the UPI Mechanism, a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;inmId=40</a> or such other website as updated from time to time</p> |
| SME Exchange                                         | SME Platform of the NSE i.e. NSE EMERGE.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| SEBI (PFUTP) Regulations / PFUTP Regulations         | SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Specified Locations                                  | Centres where the Syndicate shall accept ASBA Forms from Applicants and in case of RIIs only ASBA Forms with UPI                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Sponsor Bank                                         | A Sponsor Banker means a Banker registered with SEBI which is appointed by the Issuer to act as conduit between Stock Exchanges and NPCI in order to push the mandate collect requests and/or payment instructions of the retail investors into the UPI. In our 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Transaction Registration Slip / TRS                  | The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Underwriters                                         | The underwriters in this case are [●]                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Underwriting Agreement                               | The agreement dated [●] entered between the Underwriters and our Company.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| UPI ID                                               | ID created on UPI for single-window mobile payment system developed by the National Payments Corporation of India (NPCI)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| UPI Mandate Request                                  | A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Application Amount and subsequent debit of funds in case of Allotment                                                                                                                                                                                                                                                                                                                                                                                             |
| UPI mechanism                                        | The bidding mechanism that may be used by an RII to make an Application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018 read with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/50) dated April 3, 2019, SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019 and SEBI Circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars or notifications issued by SEBI in this regard.                                                                                                                                                              |
| Unified Payment Interface/ (UPI)                     | UPI is an instant payment system developed by the NPCI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| U.S. Securities Act                                  | U.S. Securities Act of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

| Term                 | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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.                                                                                                                                                                                                                                                                                                                                                                                                                |
| UPI PIN              | Password to authenticate UPI transaction                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Working Day          | The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, “Working Day” shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars. |

#### ISSUER AND INDUSTRY RELATED TERMS

| Term                 | Description                                                                                                                                             |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| SKK                  | SKK (S) PTE LTD.                                                                                                                                        |
| Stone Texture        | Finish Texture made with natural stone chips with high build resin                                                                                      |
| Elastometric Texture | Elastic Finish ensuring it will not crack with temperature variations.                                                                                  |
| Low Voc              | Low in organic volatile gas emissions                                                                                                                   |
| Anti-Bacterial       | Used in hospital settings to kill bacteria on contact discouraging growth                                                                               |
| LEED Points          | Leadership in Energy and Environmental Design standards, a certification program devised in 1994 by the U.S. Green Building Council                     |
| IGBC                 | Indian Green Building Council (IGBC) Green Factory Buildings is the first rating programme developed in India, exclusively for the industrial sector    |
| GRIHA                | Green Rating for Integrated Habitat Assessment. Attempts to minimize a building's resource consumption, waste generation, and overall ecological impact |

#### CONVENTIONAL TERMS / ABBREVIATIONS

| Term                      | Description                                                                       |
|---------------------------|-----------------------------------------------------------------------------------|
| A/c                       | Account                                                                           |
| ACS                       | Associate Company Secretary                                                       |
| AGM                       | Annual General Meeting                                                            |
| Approx                    | Approximately                                                                     |
| Arbitration Act           | Arbitration and Conciliation Act, 1996                                            |
| AS / Accounting Standards | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA                      | Applications Supported by Blocked Amount                                          |
| AMT                       | Amount                                                                            |
| AY                        | Assessment Year                                                                   |
| B. Com                    | Bachelor of Commerce                                                              |
| Banking Regulation Act    | Banking Regulation Act, 1949                                                      |
| B.SC                      | Bachelor of Science                                                               |
| BIFR                      | Board for Industrial and Financial Reconstruction                                 |
| BSE                       | BSE Limited                                                                       |

| Term                                                           | Description                                                                                                                                                                                                                                                                     |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CA                                                             | Chartered Accountant                                                                                                                                                                                                                                                            |
| CAD                                                            | Current Account Deficit                                                                                                                                                                                                                                                         |
| CAGR                                                           | Compound Annual Growth Rate                                                                                                                                                                                                                                                     |
| Category I foreign portfolio investor(s) / Category I FPIs     | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                              |
| Category II foreign portfolio investor(s) / Category II FPIs   | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                             |
| Category III foreign portfolio investor(s) / Category III FPIs | FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations                                                                                                                                                                            |
| CDSL                                                           | Central Depository Services (India) Limited                                                                                                                                                                                                                                     |
| CFO                                                            | Chief Financial Officer                                                                                                                                                                                                                                                         |
| CFPI                                                           | Consumer Food Price Index                                                                                                                                                                                                                                                       |
| CGST                                                           | Central GST                                                                                                                                                                                                                                                                     |
| 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                                                                                                                                                                                                             |
| C.P.C.                                                         | Code of Civil Procedure, 1908                                                                                                                                                                                                                                                   |
| CS & CO                                                        | Company Secretary & Compliance Officer                                                                                                                                                                                                                                          |
| 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.                                                                                                                                                                    |
| 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                                                                                                                                                                                                                                                            |
| CSR                                                            | Corporate Social Responsibility                                                                                                                                                                                                                                                 |
| CST                                                            | Central Sales Tax                                                                                                                                                                                                                                                               |
| CY                                                             | Calendar Year                                                                                                                                                                                                                                                                   |
| Depositories                                                   | Together, NSDL and CDSL                                                                                                                                                                                                                                                         |
| Depositories Act                                               | Depositories Act, 1996                                                                                                                                                                                                                                                          |
| DIN                                                            | Director Identification Number                                                                                                                                                                                                                                                  |
| DIPP                                                           | Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India                                                                                                                                                                           |
| DP                                                             | Depository Participant, as defined under the Depositories Act 1996                                                                                                                                                                                                              |
| DPIIT                                                          | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India earlier known as Department                                                                                                                                     |

| Term                         | Description                                                                                                                                                                                                             |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              | of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India                                                                                                                              |
| DP ID                        | Depository Participant's identification                                                                                                                                                                                 |
| EBITDA                       | Earnings before Interest, Taxes, Depreciation and Amortization                                                                                                                                                          |
| ECS                          | Electronic Clearing System                                                                                                                                                                                              |
| EGM/ EoGM                    | Extraordinary General Meeting                                                                                                                                                                                           |
| ESIC                         | Employees State Insurance Act, 1948                                                                                                                                                                                     |
| EPFA                         | Employee's Provident Funds and Miscellaneous Provisions Act, 1952                                                                                                                                                       |
| EMDEs                        | Emerging Markets and Developing Economies                                                                                                                                                                               |
| EPS                          | Earnings Per Share                                                                                                                                                                                                      |
| FCNR Account                 | Foreign Currency Non Resident Account                                                                                                                                                                                   |
| FDI                          | Foreign Direct Investment                                                                                                                                                                                               |
| FEMA                         | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder                                                                                                                                       |
| FEMA Regulations             | Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017                                                                                                        |
| FIIIs                        | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB                         | Foreign Investment Promotion Board                                                                                                                                                                                      |
| FPIs                         | Foreign Portfolio Investors as defined under the SEBI FPI Regulations                                                                                                                                                   |
| FTP                          | Foreign Trade Policy                                                                                                                                                                                                    |
| 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                                                                                                                                 |
| FTA                          | Foreign Trade Agreement.                                                                                                                                                                                                |
| FV                           | Face Value                                                                                                                                                                                                              |
| GDP                          | Gross Domestic Product                                                                                                                                                                                                  |
| GoI/Government               | Government of India                                                                                                                                                                                                     |
| GST                          | Goods & Services Tax                                                                                                                                                                                                    |
| GW                           | Gigawatt                                                                                                                                                                                                                |
| HNIs                         | High Networth 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                                                                                                                                                                         |
| ICAT                         | International Centre for Automotive Technology                                                                                                                                                                          |
| ICSI                         | Institute of Company Secretaries of India                                                                                                                                                                               |
| IFRS                         | International Financial Reporting Standards                                                                                                                                                                             |
| IGST                         | Integrated Goods and Services Tax Act, 2017                                                                                                                                                                             |
| IIE                          | Indian Institute of Entrepreneurship                                                                                                                                                                                    |
| IIP                          | Index of Industrial Production                                                                                                                                                                                          |
| IMF                          | International Monetary Fund                                                                                                                                                                                             |
| Indian GAAP                  | Generally Accepted Accounting Principles in India                                                                                                                                                                       |

| Term                         | Description                                                                                                                                                   |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ind AS                       | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 |
| IPO                          | Initial Public Offering                                                                                                                                       |
| IRDAI Investment Regulations | Insurance Regulatory and Development Authority (Investment) Regulations, 2016                                                                                 |
| ISIN                         | International Securities Identification Number                                                                                                                |
| ISO                          | International Organization for Standardization                                                                                                                |
| IST                          | Indian Standard Time                                                                                                                                          |
| JV                           | Joint Venture                                                                                                                                                 |
| KM / Km / km                 | Kilo Meter                                                                                                                                                    |
| 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                                              |
| MoF                          | Ministry of Finance, Government of India                                                                                                                      |
| MOU                          | Memorandum of Understanding                                                                                                                                   |
| NA                           | Not Applicable                                                                                                                                                |
| NAV                          | Net Asset Value                                                                                                                                               |
| NBFC                         | Non Banking Financial Company                                                                                                                                 |
| NECS                         | National Electronic Clearing Service                                                                                                                          |
| NCT                          | National Capital Territory                                                                                                                                    |
| NEFT                         | National Electronic Fund Transfer                                                                                                                             |
| N.I. Act                     | Negotiable Instruments Act, 1881                                                                                                                              |
| NIAIMT                       | National Institute for Automotive Inspection, Maintenance & Training                                                                                          |
| NPCI                         | National Payments Corporation of India                                                                                                                        |
| NRE Account                  | Non Resident External Account                                                                                                                                 |
| NRO Account                  | Non Resident Ordinary Account                                                                                                                                 |
| NSDL                         | National Securities Depository Limited                                                                                                                        |
| NSE                          | National Stock Exchange of India Limited                                                                                                                      |
| NOC                          | No Objection Certificate                                                                                                                                      |
| OCB                          | Overseas Corporate Bodies                                                                                                                                     |
| p.a.                         | per annum                                                                                                                                                     |
| PE                           | private equity                                                                                                                                                |
| PF                           | Provident Fund                                                                                                                                                |
| PG                           | Post Graduate                                                                                                                                                 |
| P/E Ratio                    | Price/Earnings Ratio                                                                                                                                          |
| PAC                          | Persons Acting in Concert                                                                                                                                     |
| PAN                          | Permanent Account Number                                                                                                                                      |
| PAT                          | Profit After Tax                                                                                                                                              |
| PBT                          | Profit Before Tax                                                                                                                                             |
| PLR                          | Prime Lending Rate                                                                                                                                            |
| POA                          | Power of Attorney                                                                                                                                             |
| PSU                          | Public Sector Undertaking(s)                                                                                                                                  |
| Pvt.                         | Private                                                                                                                                                       |
| PMGK                         | Pradhan Mantri Garib Kalyan Package                                                                                                                           |
| PMI                          | Purchasing Managers' Index                                                                                                                                    |

| Term                                                   | Description                                                                                                                                                                                           |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PPP                                                    | purchasing power parity                                                                                                                                                                               |
| R&D                                                    | research and development                                                                                                                                                                              |
| RBI                                                    | Reserve Bank of India                                                                                                                                                                                 |
| Regulation S                                           | Regulation S under the U.S. Securities Act                                                                                                                                                            |
| RoC                                                    | Registrar of Companies                                                                                                                                                                                |
| ROE                                                    | Return on Equity                                                                                                                                                                                      |
| R & D                                                  | Research and Development                                                                                                                                                                              |
| 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 LODR Regulations, 2015 / SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on September 2, 2015                                                              |
| 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                                                   | State Goods and Services Tax Act, 2017                                                                                                                                                                |
| SICA                                                   | Sick Industrial Companies (Special Provisions) Act, 1985                                                                                                                                              |
| STT                                                    | Securities Transaction Tax                                                                                                                                                                            |
| TAN                                                    | Tax Deduction Account Number                                                                                                                                                                          |
| Takeover Regulations                                   | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011                                                                                            |
| TIN                                                    | Taxpayers Identification Number                                                                                                                                                                       |
| TRS                                                    | Transaction Registration Slip                                                                                                                                                                         |
| TDS                                                    | Tax Deducted at Source                                                                                                                                                                                |
| UGST                                                   | 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                                                                                                                                                                              |

| Term                       | Description                                                                                                                                                                                |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| USD/ US\$/ \$              | United States Dollar, the official currency of the Unites States of America                                                                                                                |
| VAT                        | Value Added Tax                                                                                                                                                                            |
| 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. |
| WDV                        | Written Down Value                                                                                                                                                                         |
| w.e.f.                     | With effect from                                                                                                                                                                           |
| w.r.t.                     | With respect to                                                                                                                                                                            |
| WEO                        | World Economic Outlook                                                                                                                                                                     |
| Wilful Defaulter(s)        | Wilful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations                                                                                                        |
| WIP                        | Work in process                                                                                                                                                                            |
| WPI                        | Wholesale Price Index                                                                                                                                                                      |

## **CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

All references to “India” contained in this Draft Prospectus are to the Republic of India. All references in the Draft Prospectus to the “U.S.”, “USA” or “United States” are to the United States of America.

In this Draft Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company”, “Siddhika Coatings.”, and “SCL”, and, unless the context otherwise indicates or implies, refers to Siddhika Coatings Limited. In this Draft Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lac / Lakh”, the word “Crore” means “ten million” and the word “billion (bn)” means “one hundred crore”. In this Draft Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### **Use of Financial Data**

Unless stated otherwise, throughout this Draft Prospectus, all figures have been expressed in Rupees and Lakh. Unless stated otherwise, the financial data in the Draft Prospectus is derived from our Restated Financial Statements. Certain additional financial information pertaining to our Group Company is derived from its financial statements. The Restated Financial Statements included in this Draft Prospectus are as at and for the period ended September 30, 2020 and for financial year ended, March 31, 2020, 2019 and 2018, and have been prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations. For further information, see please refer “*Financial Information*” beginning on page 156 of this Draft Prospectus. Our Company has one subsidiary, whose financial information is presented on Consolidated basis.

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 fiscal year commences on April 1 of every year and ends on March 31st of every next 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, the International Financial Reporting Standards (“**IFRS**”) and the Generally Accepted Accounting Principles in the United States of America (“**U.S. 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 financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in “**Risk Factors**”, “**Our Business**” and “**Management’s Discussion and Analysis of Financial Conditions and Results of Operations**” on page nos. 29, 109 and 191 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated

in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Review Auditor, set out in section titled ***“Financial Statements”*** beginning on page 156 of this Draft Prospectus.

For definitions, please refer the Chapter titled ***“Definitions and Abbreviations”*** on page no. 4 of this Draft Prospectus. In the Section titled ***“Main Provisions of the Articles of Association”*** beginning on page no. 266 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 (websites, data, and reports) 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.

Although, we believe industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal Company reports and data, while believed by us to be reliable, have not been verified by any independent source.

There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources. 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.

### **Currency and Units of Financial Presentation**

All references to “Rupees”, “Rs.” or “INR” 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.

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.

## FORWARD LOOKING STATEMENTS

The Draft Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "will", "will continue", "will pursue" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

These forward-looking statements and any other projections contained in the Draft Prospectus (*whether made by us or any third party*) are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements to be materially different than those contemplated by the relevant forward looking statements. Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Most of the immovable properties used by the company are leased;
- Ability to respond to technological changes;
- Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Dependent on single supplier;
- Fluctuations in Foreign Exchange rates.
- Changes in laws and regulations relating to the industries in which we operate;
- Business is manpower intensive and company is dependent on the supply and availability of the sufficient pool of labourers;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Business is subject to seasonal fluctuations;
- Conflicts of interest with group companies, the promoter group and other related parties;

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to section titled "Risk Factors"; "Our Business"; and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 29; 109 and 191 respectively of the Draft Prospectus.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors 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.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the LM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

## SECTION II – SUMMARY OF OFFER DOCUMENT

### PRIMARY BUSINESS OF THE COMPANY

Siddhika Coatings Limited is a strategic channel partner in India for SK Kaken Ltd. (‘SKK’) and an authorised importer of its products through SKK Singapore Pte. Ltd. SKK is a renowned coatings and pigments manufacturer based in Japan. Having been associated with SKK for over 15 years, we have gained the reputation of being one of the well-known suppliers of their products in India. We also provide application services which include preparing and coating interior as well as exterior surfaces of civil structures using organic and inorganic architectural textured pigments and technical-grade functional coatings. Currently, we are placed as one of the older marketers for SKK products and its specialist paint and application service providers in India.

For detailed information on our business activities, please refer to section titled “*Our Business*” on page no. 109 of this Draft Prospectus

### SUMMARY OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

Our Company operates in the Paints & Coatings Sector. The Indian paint industry has been involved in the manufacture of paints and coatings for over a decade. The industry has seen a gradual shift of customer preferences from the traditional white wash to higher quality paints like emulsions and enamel paints. Factors like, growing popularity of new variants providing improved finishing and textures, increasing per capita income of people and manufacture of a wide variety of paints such as eco-friendly, odor free, dust and water-resistant paints, have propelled the growth of the paint market in India. As per Nielsen Corporation for Indian Paint Association (IPA) report, the Indian paint market which was around INR 40,300 crores in 2014-15 is expected to reach INR 70, 875 crores by 2019-2020.

- The decorative paint market is expected to witness CAGR of 12.7%
- The industrial paint market is expected to witness CAGR of 9.5%

For detailed overview of our industry, please refer section titled “*Industry Overview*” on page no. 100 of this Draft Prospectus.

### NAME OF PROMOTER

The Promoter of our Company is Siddhika Business Applications Private Limited (“SBAPL”).

For detailed information on our Promoter and Promoter Group, please refer to section titled “*Our Promoter and Promoter Group*” on page no. 147 of this Draft Prospectus.

### SIZE OF THE ISSUE

Public issue of up to 8,24,000 Equity Shares of face value of Rs.10/- each for cash at a price of Rs. [●]/- per equity share including a share premium of Rs. [●]/- per equity share (the “**Issue Price**”) aggregating to Rs. [●] (“the **Issue**”)

### OBJECTS OF THE ISSUE

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

| Particulars                                                 | Estimated Amount ( Rs.in Lakhs) |
|-------------------------------------------------------------|---------------------------------|
| To part finance Working Capital Requirements of the Company | [●]                             |
| General Corporate Purposes                                  | [●]                             |
| Issue Related Expenses                                      | [●]                             |

For detailed information on the “*Objects of the Issue*”, please refer on page no. 89 of this Draft Prospectus.

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

Aggregate Pre-Issue Shareholding of the Promoter and Promoter as a percentage of the paid-up share capital of our company:

| Sr. No.                                        | Name of shareholder                                | No. of equity shares (Pre- issue) | As a % of Pre-issue Issued Capital |
|------------------------------------------------|----------------------------------------------------|-----------------------------------|------------------------------------|
| <b>Promoter</b>                                |                                                    |                                   |                                    |
| 1                                              | Siddhika Business Applications Private Limited     | 1450000                           | 64.00                              |
| <b>Total – A</b>                               |                                                    | <b>1450000</b>                    | <b>64.00</b>                       |
| <b>Promoter Group</b>                          |                                                    |                                   |                                    |
| 1                                              | Rashi Maheshwari                                   | 10000                             | 0.44                               |
| 2                                              | Charitra Maheshwari                                | 258150                            | 11.39                              |
| 3                                              | Charitra Maheshwari (H.U.F.)                       | 177000                            | 7.81                               |
| 4                                              | Siddhika Consulting and Investment OPC Private Ltd | -                                 | -                                  |
| <b>Total – B</b>                               |                                                    | <b>445150</b>                     | <b>19.64</b>                       |
| <b>Total Promoter and Promoter Group (A+B)</b> |                                                    | <b>1895150</b>                    | <b>83.64</b>                       |

## FINANCIAL DETAILS

The table below sets forth a summary of the Restated Consolidated Financial Statements for the half year ended September 30, 2020 and financial year March 2020, March 2019 and March 2018:

(Rs. in Lakh)

| Sr. No. | Particulars                                                  | For the period Ended on September 30, 2020 | For the year ended on |                |                |
|---------|--------------------------------------------------------------|--------------------------------------------|-----------------------|----------------|----------------|
|         |                                                              |                                            | March 31, 2020        | March 31, 2019 | March 31, 2018 |
| 1.      | Share Capital                                                | 226.55                                     | 226.55                | 22.66          | 22.66          |
| 2.      | Net worth                                                    | 1718.55                                    | 1698.57               | 1457.33        | 1147.16        |
| 3.      | Revenue from operations                                      | 603.88                                     | 3012.53               | 3194.24        | 2197.63        |
| 4.      | Profit After Tax                                             | 19.98                                      | 295.86                | 351.14         | 256.44         |
| 5.      | Earnings Per Share (in Rs.) – Basic and Diluted before bonus | 8.82                                       | 130.60                | 154.99         | 113.19         |
| 6.      | Earnings Per Share (in Rs.) – Basic and Diluted after bonus  | 0.88                                       | 25.40                 | 154.99         | 113.19         |
| 7.      | NAV per Equity Shares (in Rs.) - before bonus                | 758.57                                     | 749.75                | 643.27         | 506.36         |
| 8.      | NAV per Equity Shares (in Rs.) - after bonus                 | 75.86                                      | 74.98                 | 643.27         | 506.36         |
| 9.      | Total Borrowings (As per Restated Balance Sheet)             | 32.50                                      | 32.50                 | 32.50          | 25.50          |

## AUDITORS' QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENTS.

There were no auditor qualifications which required corrective adjustments and which have not been given effect to in the Restated Financial Information.

## OUTSTANDING LITIGATIONS

| Outstanding Litigations                                                                                       | Amount (in Lakhs) |
|---------------------------------------------------------------------------------------------------------------|-------------------|
| Pending Litigations involving our Company, our directors, our promoter, promoter group and subsidiary Company | NIL               |

For detailed information on the “*Outstanding Litigations*”, please refer to section titled “*Outstanding Litigations and Material Developments*” on page no. 201 of this Draft Prospectus.

## RISK FACTORS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India. Specific attention of the investors is invited to the section titled “*Risk Factors*” beginning on page no. 29 of this Draft Prospectus.

## CONTINGENT LIABILITIES

There are no Contingent Liabilities of the Company as for the half year ended on September 30, 2020 and for the financial year ended on March 31, 2020, 2019 and 2018.

## RELATED PARTY TRANSACTIONS

(Rs. In Lakhs)

| Sr. No. | Nature of Transaction                                                         | As at              |                |                |                |
|---------|-------------------------------------------------------------------------------|--------------------|----------------|----------------|----------------|
|         |                                                                               | September 30, 2020 | March 31, 2020 | March 31, 2019 | March 31, 2018 |
| A       |                                                                               |                    |                |                |                |
|         | <b>Directors Remuneration</b>                                                 |                    |                |                |                |
|         | Charitra Maheshwari                                                           | 9.77               | 25.20          | 19.20          | 14.85          |
|         | Abhijeet Banerjee                                                             | 10.00              | 25.80          | 21.00          | 16.80          |
|         | Gaurav Agarwal                                                                | 9.30               | 24.00          | 19.20          | 15.00          |
|         | Manvendra Pratap Singh                                                        | 8.10               | 21.60          | 18.00          | 9.20           |
|         | <b>Loan Repaid</b>                                                            |                    |                |                |                |
|         | Abhijeet Banerjee                                                             | -                  | -              | -              | -              |
|         | <b>Loan Taken</b>                                                             |                    |                |                |                |
|         | Abhijeet Banerjee                                                             | -                  | -              | 7.00           | 1.00           |
|         | <b>Closing Balance</b>                                                        |                    |                |                |                |
|         | Abhijeet Banerjee                                                             | 32.50              | 32.50          | 32.50          | 25.50          |
| B       | Relatives of Key Management Personnel with whom transactions have taken place |                    |                |                |                |
|         | <b>Purchase From</b>                                                          |                    |                |                |                |
|         | Siddhika Energy Pvt. Ltd.                                                     | 0.00               | 0.00           | 0.38           | 0.00           |
|         |                                                                               | 0.00               | 0.00           | 0.00           | 0.00           |
|         | <b>Rent Paid</b>                                                              |                    |                |                |                |
|         | Siddhika Business Application Pvt. Ltd.                                       | 0.00               | 1.87           | 2.04           | 1.92           |

| Sr. No. | Nature of Transaction                                                                                                   | As at                 |                   |                   |                   |
|---------|-------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------|-------------------|-------------------|
|         |                                                                                                                         | September 30,<br>2020 | March 31,<br>2020 | March 31,<br>2019 | March 31,<br>2018 |
|         |                                                                                                                         |                       |                   |                   |                   |
|         | <b>Commission Paid</b>                                                                                                  |                       |                   |                   |                   |
|         | Siddhika Consulting and Investment OPC Pvt. Ltd.                                                                        | 5.26                  | 5.95              | 1.00              | 0.00              |
|         |                                                                                                                         |                       |                   |                   |                   |
|         | <b>Rent Received</b>                                                                                                    |                       |                   |                   |                   |
|         | Siddhika Energy Pvt. Ltd.                                                                                               | 0.00                  | 0.00              | 0.00              | 0.40              |
|         | Siddhika Foundation Trust                                                                                               | 0.00                  | 0.06              | 0.00              | 0.00              |
|         | <b>Corporate Guarantee from enterprises in which relative of Key Management Personnel having significant influence.</b> | -                     | -                 | -                 | -                 |

For detailed information on the related party transactions executed by our Company, please refer “Annexure – O” under chapter titled “*Financial Statements*” beginning on page no. 156 of this Draft Prospectus.

## FINANCING ARRANGEMENTS

The Promoter, members of the promoter group, the directors of our Promoter, the directors of the issuer and their relatives have not financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Prospectus.

## WEIGHTED AVERAGE PRICE & COST OF ACQUISITION

### Weighted average price:

Weighted average price at which the Equity Shares were acquired by our Promoter in Last One Year:

| Sr. No. | Name of Promoter                         | No. of Equity Shares Acquired during last one Year | Weighted Average Price* (in Rs. per equity share) |
|---------|------------------------------------------|----------------------------------------------------|---------------------------------------------------|
| 1.      | Siddhika Business Applications Pvt. Ltd. | NIL                                                | NIL                                               |

### Average Cost of Acquisitions of Shares for Promoter:

The average cost of acquisition per Equity Share by our Promoter is set forth in the table below:

| Sr. No. | Name of Promoter                         | No. of Equity Shares held | Average Cost of Acquisition per equity share (in Rs.)* |
|---------|------------------------------------------|---------------------------|--------------------------------------------------------|
| 1.      | Siddhika Business Applications Pvt. Ltd. | 1450000                   | 1                                                      |

\* The average cost of acquisition of Equity Shares by our Promoter has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date of the Draft Prospectus.

## PRE-IPO PLACEMENT

Our Company does not contemplate any pre-IPO placement of Equity Shares from the date of this Draft Prospectus till the listing of the Equity Shares.

## ISSUE OF SHARE FOR CONSIDERATION OTHER THAN CASH

Except mentioned herein below, our Company has not issued any equity shares for consideration other than cash during last one year.

*Issue of bonus Shares under the Bonus Issue in the ratio of 9:1 to the members of the Company, whose name appeared in the Register of Member (Record date i.e. 23.08. 2019) and the bonus allotment date is 16<sup>th</sup> October 2019. The details of the said allotment are as under:*

| Name of the Shareholder                        | No of Equity Shares |
|------------------------------------------------|---------------------|
| Charitra Maheshwari                            | 232335              |
| Siddhika Business Applications Private Limited | 1305000             |
| Charitra Maheshwari (H.U.F.)                   | 159300              |
| Aditya Pratap Singh                            | 2250                |
| Syed Atif Hassan                               | 2475                |
| Gaurav Agarwal                                 | 63090               |
| Dinesh Kumar                                   | 2250                |
| Ramesh Jajoo (H.U.F)                           | 45000               |
| Rashi Maheshwari                               | 9000                |
| Dalveer Singh                                  | 1125                |
| Gagan Gupta                                    | 6750                |
| Sunil Kumar Kanodia                            | 22500               |
| Nafees                                         | 10350               |
| Hafizur Rehman                                 | 16875               |
| Anurag Diwan                                   | 49500               |
| Surender Kumar                                 | 900                 |
| Abhijeet Banerjee                              | 90000               |
| Aseem Dhawan                                   | 900                 |
| Gaurav Gupta                                   | 900                 |
| Manoj Kumar                                    | 900                 |
| Mohd. Shuaib Hamid Burney                      | 900                 |
| Mohd. Wasim                                    | 900                 |
| Mohd Rizwan                                    | 900                 |
| Manoj Singh                                    | 450                 |
| Mukesh Kumar                                   | 900                 |
| Ravendra Kumar                                 | 900                 |
| Sanjay Das                                     | 900                 |
| Santosh Kumar                                  | 900                 |
| Santosh Kumar Yadav                            | 900                 |
| Siraj Ahmed                                    | 900                 |

| Name of the Shareholder | No of Equity Shares |
|-------------------------|---------------------|
| Sonu Kumar              | 900                 |
| Subhash Chander         | 450                 |
| Vandana Tiwari          | 900                 |
| Gaurav Maheshwari       | 900                 |
| Manvendra Pratap Singh  | 4950                |
| Susmita Karmakar        | 900                 |
| <b>TOTAL</b>            | <b>2038950</b>      |

#### SPLIT / CONSOLIDATION

Our Company has not split/consolidated equity shares during the last one year immediately preceding the date of filing this Draft Prospectus.

### SECTION III – RISK FACTORS

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

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our Restated Financial Information prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 109, “Industry Overview” beginning on page 100 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 191 of this Draft Prospectus, as well as other financial information contained herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 4 of this Draft Prospectus.*

*The 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 many factors, including the considerations described below and elsewhere in the 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 not be material individually but may be found material collectively.
- Some events may have material impact qualitatively instead of quantitatively.
- Some events may not be material at present but may have material impact in the future.

#### *Note:*

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk, if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

In this Draft Prospectus, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in “Risk Factors” and elsewhere

in this Draft Prospectus unless otherwise indicated, has been calculated on the basis of the amount disclosed in our restated financial statements.

In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Siddhika Coatings Limited.

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

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

- 1. Our Company does not own any trademarks for the logo representing our products/services or the trademark of word “Siddhika” or the logo used in this Draft Prospectus. In case we do not apply for registration of any trademark, it may affect our business and brand reputation.***

Our Company has not applied for the registration of any trademarks in relation to its business as on the date of filing of this Draft Prospectus. It may be possible that the trademark registration continues to not be applied for or applied but not approved or use of similar/ same name by third parties, may cause the validity or scope of the application to be challenged. In such situations, the Company may not have a strong recourse to legal proceedings to protect its trademark which could have an adverse effect on our business and/or reputation. In such a scenario, we may also be required to invest significant resources in developing new brands or logos, which could materially and adversely affect our business, financial condition, results of operations and prospects.

- 2. Our Company is significantly dependent on a single supplier. Our Company does not have any formal long-term arrangements with its suppliers. Any significant variation in the supply may adversely affect the operations and profitability of our Company.***

Our Company is SK Kaken Ltd.’s (SKK) Indian strategic channel partner and as its authorised importer. Thus, we procure the majority of our paints and coatings material from a single supplier, SKK (S) PTE. LTD., a subsidiary of SKK. Any conflict, changes in policy or dispute may extremely severely impact our ability to procure material for our work contracts and may affect the survivability of our business. There can be no assurance that our Company can maintain favourable terms in the future.

Furthermore, we do not have firm commitment in the form of long-term supply agreements with said supplier and instead rely on authorised dealer understanding to govern the volume and other terms. There can be no assurance that upon any changes in the understanding, our supplier will renew or continue association with us in a timely manner and at terms favorable to us or at all. Consequently, there is no commitment on the part of our major supplier to continue to choose us as the authorised dealer or refer new orders to us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time.

Other materials and equipment required in addition to SKK’s paints and coatings are procured from various local traders with who we conduct business on regular basis and sometimes certain materials are also imported based on the client’s requirements. Owing to wide availability of these other materials and equipment, we have not entered any long-term arrangement or contracts with the parties which oblige them to maintain their business with us. Our ability to maintain close and satisfactory relationships with our suppliers may impact our supplies and affect our production process. Further, there is no assurance that the suppliers will continue to supply materials and equipment to us on reasonably acceptable terms

**3. *If we are unable to maintain and increase our presence in different geographical regions for marketing of our projects, our business, results of operations and financial condition could be adversely affected.***

We believe that we have a good presence and have knowledge of the customer base in most of the regions of project execution. To launch projects in newer markets, we need to create presence in those regions and create our brand recognition. However, this is a competitive industry with many local, regional and national players and our Company, being a relatively small player having product range limited to a single brand, may not be able to expand to newer markets. We cannot assure you that we will be able to successfully secure work contracts in newer markets and which may reduce our volumes and adversely affect our business, results of operations and financial condition. While we receive help in marketing of our services by our product supplier, SKK, we may not be able to effectively implement them across our network. Any failure on our part to maintain and increase the number of our arrangements for the marketing and execution of our work contracts may adversely affect our business, results of operations and financial conditions.

**4. *Our business is subject to seasonal fluctuations.***

Our business operations may be affected by seasonal factors which may restrict our ability to carry on activities related to our projects and fully utilize our resources. Heavy or sustained rainfalls or other extreme weather conditions such as cyclones could result in delays or disruptions to our operations during the critical periods of our projects. In particular, the monsoon season may restrict our ability to carry on activities related to execution of our projects and fully utilize our resources, which may affect our revenues and consequently, profit recognition to subsequent quarters. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to sites or delays in the delivery of materials. Such fluctuations may adversely affect our revenues, cash flows, results of operations and financial conditions.

**5. *Our reliance on third parties for certain aspects of our business, including material suppliers, transporters/ importers of our materials and products as well as contract labour/ job work, exposes us to certain risks.***

We rely on third parties for the supply of materials, components, contract labour, job work for performance of the functions and services carried out by our Company. We also rely on transporters for transport and logistics support at some of our units including. Job work charges for painting/ coating jobs at our sites constituted 18.34%, 19.49%, 19.24%, and 19.19% of our total expenses for the 6 months period ended September 30, 2020 and financial years ended March 31, 2020, 2019 and 2018 respectively. Our reliance on third parties for certain critical outsourced job works and on transporters for transport and logistics may affect our timelines for completion of the contracts with our customers.

Our ability to maintain relationships with our selected vendors abroad contributes to our growth and our successful management of our inventory as well as other aspects of our operations. Our material and component suppliers may fail to consistently deliver products of acceptable quality and within stipulated schedules, or the contractors to whom we have outsourced certain functions at our sites may not fulfil specified performance standards, which may adversely affect our operations. We may be required to replace a vendor if its products or services do not meet our quality or performance standards or if a vendor should unexpectedly discontinue operations due to reasons beyond its or our control (including financing constraints caused by credit market conditions).

As we rely on transport and logistics service providers for transporting a portion of our product supplies, any failure on their part to perform their services in the expected manner could result in us breaching our committed completion timelines as per contracts. Factors such as the financial instability of contractors, suppliers, vendors' non-compliance with applicable laws, labour disputes,

currency fluctuations, changes in tariff or import policies, severe weather, political uncertainty, terrorist attacks and transport capacity and cost may disrupt our supply chains, which may result in increased costs or delivery delays. Therefore, there is no assurance that third party suppliers or contractors will be able to meet their contractual commitments to us, or that we will not be required to incur additional costs to remedy any deficiencies in their services or to obtain alternative sources of supply in the event that our contracted suppliers should default or be delayed in their performance. A significant disruption in supply of materials, contract labour, power or other third-party services may, in turn, disrupt our operations and adversely affect our inventory management, business and financial condition, at least until alternative sources of supply of goods and services are arranged.

6. ***Our business requires us to obtain and renew certain registrations, licenses, approvals, NOCs and permits in the ordinary course of our business. Some of the approvals are in process to be transferred in the name of “Siddhika Coatings Limited” pursuant to conversion into public limited company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations. Our inability to obtain, renew or maintain our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business, financial condition and results of operations.***

We require a number of approvals, licenses, registrations, NOCs and permits in ordinary course of our business. We will be required to renew such permits and approvals in relation to our existing operations and obtain new permits and approvals for any proposed operations as may be required under the applicable laws of the sector or region that we are operating in. Further, pursuant to conversion after complying with the relevant and the applicable provisions and procedures of Companies Act, 2013, the name of our company was changed to “Siddhika Coatings Limited”. We have taken necessary steps for transferring the approvals in the new name of our Company. In case we fail to transfer/ obtain the same in name of the Company, the same may adversely affect our business operations.

There can be no assurance that the relevant authorities will renew or issue any of such permits or approvals in the time-frame anticipated by us or at all. Any failure to apply for and obtain the required approvals, licenses, registrations or permits in a timely manner, or any suspension or revocation of any of the approvals, licenses, registrations and permits would result in a delay in our business operations which could otherwise adversely affect our financial condition, results of operations and future prospects of the Company. We cannot assure you that the approvals, licenses, registrations and permits issued to us would 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. In addition to same, our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business and results of operations.

Compliance with many of the regulations applicable to our operations may involve incurring significant costs and otherwise may impose restrictions on our operations. We cannot assure you that we will not be subject to any adverse regulatory action in the future. If the interpretation of the regulators and authorities varies from our interpretation, we may be subject to penalties and the business of our Company could be adversely affected. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of the terms and conditions stipulated under any of our licenses or permits, one or several of our licenses and certificates may be suspended or cancelled and we shall not be able to carry on the activities permitted thereunder.

- 7. Our Company has reported certain negative cash flows from its operating activities on the basis of Restated Consolidated Financial Statements, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company had reported certain negative cash flows from its operating activities in the previous financial period as per the Restated Consolidated Financial Statements and the same are summarized as under:

(Rs. in lakhs)

| Particulars                                  | For the 6 months<br>period ended<br>September 30, 2020 | For the Year Ended March 31, |        |       |
|----------------------------------------------|--------------------------------------------------------|------------------------------|--------|-------|
|                                              |                                                        | 2020                         | 2019   | 2018  |
| Net Cash Generated from Operating Activities | (45.74)                                                | 331.71                       | 115.19 | 87.68 |

For further information on our negative net cash flows, see “Financial Statements” on page 156. We cannot assure you that our net cash flows will be positive in the future. Negative cash flows in the future could adversely affect our business, financial condition and results of operations.

- 8. There have been instances in the past of delays in complying with legal, statutory or regulatory requirements, including with respect to mandatory form filings and corporate records, as well as instances in which the records of certain forms filed with the Registrar of Companies (“RoC”) by our Company were filed with irregularities and other similar irregularities, which may lead to penalties being imposed on us and have an adverse effect on our business and operations.**

There have been certain instances of delays in complying, or non-compliance, with legal, statutory or regulatory requirements, including with respect to mandatory form filings and corporate records by our Company. In the past, there have been certain instances of non-compliance with provisions of the Companies Act, 1956 and/or Companies Act, 2013 by our Company, and certain inadvertent errors in requisite corporate authorisations and form filings. Our Company has in the past not complied with certain statutory provisions of the Companies Act, 2013 such as (i) payment of consolidated stamp duty of Rs. 20389.5/- on the issuance of 2038950 Equity shares of the Company is pending; (ii) Our Company issued equity shares through preferential allotment in 2016 for which no special bank account was opened as required under the Companies act, 2013.

Although no show cause notice have been issued in respect of aforementioned instances against the Company till date, in the event of any cognizance being taken by the concerned authorities in respect of above, penal actions may be taken against the Company and its directors, in such events the financials of our Company shall be affected.

- 9. Certain agreements may be inadequately stamped, notarised or may not have been registered as a result of which our operations may be adversely affected.**

Most of our rent agreements and some other agreements such as business agreements, etc. may have irregularities of enforceability, such as non-registration, not notarised and inadequate payment of stamp duty which may affect the evidentiary value of the relevant lease or license agreements in specific performance or other injunctive procedures in a court of law, and could impair our operations. Further, it may result in levy of penal charges, in case cognizance being taken by concerned authorities. In the event of any dispute arising out of such unstamped, unnotarized and/or unregistered agreements, we may not be able to effectively enforce our rights arising out of such agreements which may have a material adverse impact on our business.

**10. We rely on effective and efficient project management. Any adverse change in our project management procedures could affect our ability to complete projects on a timely basis or at all, which may cause us to incur liquidated damages for time overruns pursuant to our contracts.**

Our project-based businesses depend on the proper and timely management of our projects. Although we focus on project management by appointing project supervisors at our sites and by obtaining progress reports periodically, ineffective or inefficient project management could increase our costs and expenses and thus, materially and adversely affect our profitability.

We typically enter into contracts which provide for liquidated damages for time overruns. There have been certain situations where the project has seen time overruns but such overruns have not caused any costs to the Company. This is because, such delays have been in normal course and generally by the customers themselves. Since there is no formal extension period given by the customers, in the event a customer takes action on such delay, there may be a possibility of cost overrun in the future. In case we are unable to meet the performance timeline as prescribed by the clients and if penalties or liquidated damages are levied, our financial condition and results of operations could be materially and adversely affected.

**11. Our Senior Management plays a key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Senior Management personnel remain associated with us.**

Through this issue, our Company proposes to get listed on the EMERGE Platform of NSE and further increase its asset base in order to take the Company to the next level of operational and financial strength. To aid this transition and effectively implement its growth strategies, our Company will depend heavily on its Senior Management personnel.

Our Senior Management personnel have been actively involved in the day to day operations and management making the Company's seamless performance dependent upon their services. If all or certain members of the Senior Management are unable or unwilling to continue in their present position, we may not be able to replace them easily or at all. The loss of the services of our key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects.

**12. Our business is manpower intensive and we are dependent on the supply and availability of a sufficient pool of labourers at our project locations. Unavailability or shortage of such a pool of external labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing contractual labour may have an adverse impact on our cash flows and results of operations.**

Our business is manpower intensive and we are dependent on the availability of a sufficient pool of skilled, semi-skilled and unskilled labour to efficiently execute our work contracts. The access to such labour is considered a key competitive advantage in our industry. The number of labourers (that are not on pay roll) employed by us varies from time to time based on the nature and extent of work contracted to us and the availability of such labour. We may not be able to secure the required number of skilled/ semi-skilled labourers required for the timely execution of our projects for a variety of reasons including possibility of disputes with sub-contractors, strikes, less competitive rates to our sub-contractors as compared to our competitors, COVID- 19 related challenges or changes in labour regulations that may limit availability of contractual labour. We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes to existing labour legislations, including upward revision of wages required to be paid under statutes to the

workmen, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.

There can be no assurance that disruptions in our business will not be experienced if there are strikes, work stoppages, disputes or other problems with sub-contractors or contract labourers deployed at our projects. If our labour does not complete its obligations in a timely and satisfactory manner, our costs could increase and our reputation, business, cash flows and results of operations could be adversely affected.

***13. Our business is linked to industrial cycle which is not doing so well currently and the sector is dependent on several factors out of control of the Company. Accordingly, our overall performance may be impacted by macro factors out of control of the Company.***

Our company is working in industrial paints sector and demand for our product offerings is subject to macro-economic factors. Recent events like COVID-19 pandemic have an adverse impact on the sector and our Company's revenues and results of operations.

***14. We engage in a highly competitive business and any failure to effectively compete could have a material adverse effect on us.***

The Indian decorative paint industry has historically been dominated by four major entities that had an aggregate market share of 65% in 2019, as the industry presents significant entry barriers (Source: F&S Report). These market entry barriers include the development of an extensive distribution network through long-term relationships with dealers, the ability to set up tinting machines with dealers, as well as significant marketing costs and the establishment of a distinct brand to gain product acceptance (Source: F&S Report). We compete on the basis of the strength of our differentiated imported products of SKK, distribution network, brand recognition, and ability to complete projects with trained supervision. As a result, to remain competitive in our markets, we must continuously strive to offer differentiated products/services, expand our distribution network, enhance our brand and improve our operating efficiencies.

Our competitors therefore also include companies that have established their presence in specific regions as part of their strategy. These competitors may limit our opportunity to increase our market share as a result of a stronger dealer network in such regions and customer brand preferences in these locations, and may also compete with us on pricing of products. Our competitors may also introduce new and more competitive products and strengthen their supply chain management, make strategic acquisitions or establish relationships among themselves or with third parties, including suppliers of our products, thereby increasing their ability to address the needs of our target customers. An inability to effectively compete in terms of branding, providing competitive and differentiated products or services or expand into new markets, could have a material negative effect on our business, financial condition and growth prospects.

***15. We may not be able to identify or effectively respond to evolving preferences, expectations or trends in a timely manner, and a failure to derive the desired benefits from our product development efforts may impact our competitiveness and profitability.***

Our customers require variety of product offerings suited to different requirements. The success of our business depends in part on our ability to anticipate, identify and respond promptly to evolving trends in demographics and preferences, customer expectations, needs and demands, and develop new/ differentiated products to meet these requirements. Our success is also dependent on our ability to identify and respond to the economic, social, and other trends that affect demographic and end-customer preferences in a variety of our paint categories. Since we are majorly engaged in application of paints and coatings with products of our supplier, we cannot assure you that our future product development initiatives will be successful or be completed within the anticipated period or

budget, or that the newly developed or improvised products, if any, will achieve wide market acceptance from potential customers.

It is often difficult to estimate the time to market new products and there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the marketing and import of such product. Further, as we continue to grow our business by expanding our brand offerings and our geographic reach, maintaining quality and consistency may be more difficult and there can be no assurance that the customers' confidence in our brand will not diminish. Failure or any delay on our part to identify such trends, to align our business successfully and maintain quality could negatively affect our brand image, our relationship with our suppliers/customers, the rate of growth of our business, our market share and our prospects.

- 16. While we are currently not subject to extensive Governmental regulation, any regulatory or legal framework introduced in the future may increase our compliance requirements and costs, which may adversely affect our business, results of operations and prospects. However, to run our business, we require certain regulatory permits and approval to operate.**

At present, the segments in which we operate are not subject to extensive Government regulation. While we are not in a position to predict the likelihood, timing or content of any such regulation or legislation, if any such regulation or legislation is notified, we may be affected in various ways. However, we have obtained all permits and licenses, which are adequate to run our business. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

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

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

- 18. Our Promoter and members of our Promoter group will continue to retain majority control in the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval.**

Upon completion of this Issue, our Promoter and members of the Promoter group will continue to have substantial shareholding of our post-Issue equity share capital. As a result, the Promoter group will have the ability to control our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company's best interest. In addition,

for so long as the Promoter and Promoter group continue to exercise significant control over the Company, they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. The Promoter and members of the Promoter group may have interests that are adverse to the interests of our other shareholders and may take positions with which we or our other shareholders do not agree.

***19. In addition to normal remuneration or benefits and reimbursement of expenses, the Promoter of our Promoter, our Directors and Key Managerial Personnel are interested in our Company to the extent of their shareholding, and dividend entitlements etc.***

The Promoter of our Promoter, our Directors and Key Management Personnel are deemed to be interested to the extent of the Equity Shares held by them, or their relatives, dividend entitlements, and benefits deriving from the directorship in Siddhika Coatings Limited. Our Promoter may have an interest in the transactions entered into the Company and its Promoter Group. For further information, please refer to the section titled “Our Promoter and Promoter Group”, “Capital Structure”, “Our Management” and ‘Related Party Transactions’ under chapter titled “Financial Statements”, beginning on pages 147, 66, 132 and 156 respectively of this Draft Prospectus.

***20. The LM has relied on declarations and affidavits furnished by some of our Directors for details of their profiles included in this Draft Prospectus.***

Some of our Directors have been unable to trace copies of documents pertaining to their educational qualifications and/or prior professional experience. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by these Directors to the Lead Manager to disclose details of their educational qualifications and/or professional experience in this Draft Prospectus. Accordingly, the Lead Manager has been unable to independently verify these details prior to inclusion in this Draft Prospectus. Further, there can be no assurances that our Directors will be able to trace the relevant documents pertaining to their qualifications and/or prior experience in future, or at all.

***21. There may be potential conflict of interests between our Company and other entities promoted by our Directors.***

Our Company is engaged in applications and supply of paints and coatings, and our subsidiary, AB Coatings Private Limited is engaged in trading of paints and coatings. We have not executed any Non-Compete Agreement with our Directors or Promoter Group Members/ Entities to not to engage in businesses similar to that of our Company.

As a result, conflicts of interests may arise in the future in allocating business opportunities amongst our Company, Subsidiary and our other Promoter Group Members/ Entities in such circumstances where our respective interests diverge. There can be no assurance that our Directors/Promoter/Promoter Group/Promoter of Promoter will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any future conflicts could have a material adverse effect on our business, results of operations and financial condition.

***22. Stringent environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.***

Our operations may generate some amounts of pollutants and waste, some of which may be hazardous. We are accordingly subject to various national, state, municipal and local laws and regulations concerning environmental protection in India, including laws addressing the discharge of pollutants into the air and water, the management and disposal of any hazardous substances, and

wastes and the clean-up of contaminated sites. At present, our operations are not subject to stringent environmental, health and safety and other regulatory and/ or statutory requirements in the jurisdictions in which we operate. Although, there is a possibility of future changes in such policies or regulatory requirements that may be applicable to us.

Company has to suffer adversely if there is a change in the policy of paints contents as paint contains hazardous chemicals such as lead which causes irritation and damage to eyes and mucous membranes, to the respiratory and digestive tracts, skin, etc and in this way harmful to the workers of the paint industry and any change in the occupational hazards policy affects the business of the company as our ability to grow our business depends on the community of painters.

Non-compliance with these laws and regulations, which among other things, limit or prohibit emissions or spills of toxic substances produced in connection with our operations, could expose us to civil penalties, criminal sanctions and revocation of key business licences. Environmental laws and regulations in India are becoming more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management.

**23. *The average cost of acquisition of Equity Shares by our Promoter could be lower than the issue price.***

Our Promoter average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price of the shares proposed to be offered through this draft prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company, please refer “Capital Structure” beginning on page no. 66 of this Draft Prospectus.

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

The fund requirement and deployment, as mentioned in the “Objects of the Issue” on page 89 of this Draft Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “Objects of the Issue” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “Objects of the Issue” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**25. *We have not made any provisions for decline in value of our Investments.***

We hold some investments in Unquoted Equity Instruments. We have not made any provision for the decline in value of these investments and hence as and when these investments are liquidated, we may book losses based on the actual value we can recover for these investments and if lower than the cost, the same could adversely affect our results of operations.

**26. *The majority of our Company's products are imported in nature. We are exposed to possibilities of loss of products in transportation, change in import-export policies, foreign currency exchange rate fluctuations and exchange control risks, which may adversely affect our results of operations.***

As the Company's business mainly depends on the supplies manufactured by SK Kaken Ltd., a Japan-based Company. Such products are imported from SKK'S Singapore subsidiary who also provides skills training to our Company's personnel. The company has foreign currency payables for the import of paints and coatings and are therefore exposed to foreign exchange risk between the Indian Rupee and Foreign currency. Any adverse fluctuations or change in currency rates may impact acceptability, affordability or competitiveness for our products which may ultimately affect the profit margin and growth of the Company.

Any change in Indian import policies, trade or diplomatic status with, or political or economic instability in Japan/Singapore may affect our ability to import our products in a timely and affordable manner. There is a risk associated with loss of our products during overseas transportation, such a loss however insured may impact our abilities to execute work contracts in a timely manner. Our Company may suffer a disruption in its operations which could materially and adversely affect its business, financial condition and results of operations.

**27. *Any unsecured loans taken by our Company or Subsidiary may be recalled at any time.***

In case we avail of any unsecured loans, some of them may be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. In the event that any lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, if such unsecured loans are recalled at any time, it may impact our business, results of operations and financial condition.

**28. *Third party industry and statistical data in this Draft Prospectus may be incomplete, incorrect or unreliable.***

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

**29. *Most of the immovable properties used by us directly or through our business partners are leased. If we or our business partners are unable to renew existing leases or relocate operations on commercially reasonable terms, there may be an adverse effect on our business, results of operations and prospect.***

Except our Registered Office which is owned by us, all 11 branch Offices, 3 Warehouses and 2 guest houses are set up by the Company directly on lease agreements or NOC(s).

There can be no assurance that our Company or the will, in the future, be able to retain and renew the leases or licenses for the existing locations on same or similar terms, or will be able to find alternate locations for the existing offices and operating locations on similar terms favourable to the Company, or at all. The Company may also fail to negotiate the renewal of its leases agreements for its premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or searching of new premises, or to close facilities in desirable locations, affecting its financial condition and operations. In the event that the existing rent

agreements are terminated or they are not renewed on commercially acceptable terms, Our Company may suffer a disruption in its operations which could materially and adversely affect its business, financial condition and results of operations.

In addition, many of these rental properties may have one or more irregularities of enforceability, such as non-registration of lease or license arrangements, inadequate payment of stamp duty, non-specification of lease period etc., which may affect the evidentiary value of the relevant lease or license agreements in specific performance or other injunctive procedures in a court of law, and could impair the Company's operations. Further, it may result in levy of penal charges, in case cognizance being taken by concerned Authorities.

For further details, please see the chapter titled "Our Business" beginning on page no. 109 of the Draft Prospectus. We have been operating through the present registered office it is owned by the company.

**30. Insurance coverage obtained by us may not adequately protect us against unforeseen losses.**

We maintain an amount of insurance protection that we consider adequate including marine cargo-single voyage (sea), marine cargo-single voyage (inland transit), marine cargo cover note, standard fire and special perils policy, burglary, vehicle/ car insurance policy, workman compensation policy and group health insurance. We may not have identified every risk and further may not be insured against every risk because such risks are either uninsurable or not insurable on commercially acceptable terms, including operational risk that may occur and the occurrence of an event that causes losses in excess of the limits specified in our policies, or losses arising from events or risks not covered by insurance policies such as COVID-19 and other pandemics, or due to the same being inadequate, could materially harm our cash flows, financial condition and future results of operations. However, we cannot provide any assurance that our insurance will be sufficient or effective under all circumstances and against all hazards or liabilities to which we may be subject. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

**31. Our Company has entered into certain related party transactions and may continue to do so in the future.**

Our Company has entered into few related party transactions with our Promoter, Directors, Promoter Group and/or promoter entities last three years. 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 related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to section titled "Financial Statements" beginning on page no. 156 of this Draft Prospectus.

**32. We conduct a small portion of our operations through our subsidiary over which we may have limited control and further deterioration in the performance of any of our subsidiary may adversely affect our results of consolidated operations on group basis.**

We currently conduct a small part of our operations through our subsidiary, which generates a small portion of our operating income and cash flow. We have made and may continue to make capital commitments to our subsidiary, and if the business or operations of such subsidiary deteriorates, the value of our investments may decline.

The ability of our subsidiary to make dividend payments to us depends largely on their financial condition and ability to generate profits as well as regulatory conditions. In addition, because our subsidiary is a separate and distinct legal entity, it will have no obligation to pay any dividends and may be restricted from doing so by contract, including other financing arrangements, charter provisions, other shareholders or partners or the applicable laws and regulations. As a result, we have limited control over the entity and any differences in views with the other shareholders may result in delayed decisions or failures to reach agreement on major issues. We may, in certain instances, fail to reach agreement on significant decisions on a timely basis.

We cannot assure you that our subsidiary will generate sufficient profits and cash flows. Further, in case our subsidiary incur losses or is unable to match our expected levels of performance, we may divest or dilute our equity interest in such entities. Our financial condition and results of operations could be adversely affected should our equity stake in our subsidiary or in the event it ceases to be our subsidiary. Further, in the event that the value of our investment in our subsidiary diminishes significantly, this could have a material adverse effect on our financial condition and results of operations

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

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

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

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreement signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management’s attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

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

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

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on 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 regarding our dividend policy, please see “Dividend Policy” on page no. 155 of this Draft Prospectus.

***37. Our Company’s operations are geographically dispersed.***

Our company has a wide base of operations with locations across state boundaries, there is significant risk of failure of supply lines, communication lines or disruption of efficient management due to instability or location specific actors in different states. We are also exposed to multiplicity of diverse state specific laws, regulation or legislation, if any detrimental regulation or legislation is notified, we may be affected in various ways.

**RISKS RELATING TO THE EQUITY SHARES AND THE ISSUE**

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is 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 gain realized on the sale of listed equity shares held for more than 12 months may be subject to long term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be 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. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**39. Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.**

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, 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 significant shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences for us including difficulty in raising debt or equity financing. In addition, any perception by investors that such issuances or sales might occur may also affect the trading price of our Equity Shares. We cannot assure you that we will not offer Equity Shares or that our shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

**40. The Equity Shares have never been publicly traded, and, after the Issue, 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 Issue Price, or at all.**

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares will be disclosed in the issue opening advertisement

and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in 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.

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

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

**42. We cannot assure you that our equity shares will be listed on the EMERGE platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares.**

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing

of Equity Shares to be submitted. Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Draft Prospectus listed on EMERGE platform of NSE in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE platform of National Stock Exchange of India Ltd. in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

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

The Issue Price of our Equity Shares is Rs. [●]. This price is based on numerous factors (For further information, please refer chapter titled “Basis For Issue Price” beginning on page no. 95 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation the following;

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

***44. After listing, sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.***

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

## EXTERNAL RISK FACTORS

***45. The outbreak and after-effects of COVID-19, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition, cash flows and results of operations.***

The outbreak, or threatened outbreak, of any severe communicable disease or pandemic, as seen in the recent outbreak and aftermath of COVID-19, could materially adversely affect overall business sentiment and environment across industries. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general. The outbreak has significantly increased economic uncertainty and caused economic slowdown. The outbreak of COVID-19 has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding COVID-19 and no government-certified treatment or

vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe.

The spread of COVID-19 has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, vendors and suppliers. If any of our employees are suspected of contracting COVID-19 or any other epidemic disease, this could require us to quarantine some or all of these employees or suspend operations at the site location for disinfection. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed. The extent to which COVID-19 further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition, cash flows and results of operations.

On account of the nationwide lockdown, operations at all of our offices and work sites were suspended. This resulted in a decrease in revenues, particularly during the period of March 21<sup>st</sup> 2020 to 3<sup>rd</sup> May 2020 on account of government restrictions imposed and additionally on account of cost control measures implemented by our dealers and end-customers. We also experienced disruptions in supply chain and inventory management, as well as delays in new orders and payments. While we restarted our operations at some of our branch/ site locations with the progressive relaxation of the lockdown in May 2020, we are required to implement additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization, and limited workforce. We have monitored and considered the impact of known events arising from the COVID-19 pandemic and follow a standard operating procedure (SOP) which has been circulated to all our employees and will continue to closely monitor the impact that COVID-19 may have on our business, financial condition, liquidity and results of operations. Adverse effects of the COVID-19 pandemic may also significantly increase the effect of the aforementioned factors affecting our results of operations.

The impact of the pandemic on our business, operations and future financial performance has included and may include the following:

- temporary shutdown of our offices and site work due to government restrictions;
- decrease in sales of our products, particularly in the first half of Fiscal 2021;
- inability to utilize our workforce including because of travel or government restrictions, such as stay at home orders, or illness of our employees due to COVID-19 and associated quarantining requirements, which resulted in a slowdown in our operations;
- disruptions to our supply chain in terms of material sourcing due to temporary closure of the facilities of suppliers, and delivery of finished products due to transportation/ import restrictions;
- delays in completion of work contracts, and if prolonged may negatively impact our cash conversion cycle and ability to convert our backlog into cash;
- inability to collect full or partial payments from clients due to deterioration in liquidity, including financial distress experienced by clients;
- potential negative impact on the health of our employees, particularly if a significant number of them are afflicted by COVID-19, resulting in a deterioration in our ability to ensure business continuity during this disruption.

Any resulting financial impact due to the above cannot be reasonably estimated at this time. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our suppliers, vendors, clients and each of their financial conditions; however, any material effect on these parties could adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether.

Existing insurance coverage may not provide protection or coverage for any costs that may arise from all such possible events. Further, we generate almost all of our revenue in India. The effects of COVID-19 in India may be of a greater magnitude, scope and duration than those experienced to date in other countries. To the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this “Risk Factors” section.

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

Our business and industry in which we operate is regulated by different laws, rules and regulations framed by the Central and State Government. Please refer to section titled “*Key Industry Regulations and Policies*” on page no. 120 of this Draft Prospectus for details of the laws currently applicable to us. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have a material adverse effect on our business, financial condition and results of operations.

***47. Global economic conditions were unprecedented and challenging and have had, and continue to have, a material adverse impact on the Indian financial markets and the Indian economy in general, and, given the same economic conditions this may, in future, have a material adverse impact on our business and financial performance and may have an impact on the price of the Equity Shares.***

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

***48. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse impact on our business, financial condition and results of operations***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include customs duties, excise duties, sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. There can be no assurance that these tax rates/slab will continue in the future. Further, with the Introduction of the Goods and Services Act, tax rates and its implication may have material impact on materials or on our Products.

Any changes in these tax rates/slabs could adversely affect our financial condition and results of operations.

**49. *Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

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

**51. *The occurrence of natural or man-made disasters or outbreak of global pandemics, such as the COVID-19 pandemic, could adversely affect our results of operations, cash flows and financial condition.***

Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business. The occurrence of natural disasters, including prolonged spells of abnormal rainfall, cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, infectious disease outbreaks such as the COVID-19 pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

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

As stated in the reports of the Auditor included in this Draft Prospectus under section titled "Financial Statements" beginning on page no. 156 of this Draft Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to

reconcile any of the information given in this Draft Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Prospectus. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

***53. We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards (“IFRS”). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.***

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the “IFRS Convergence Note”). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders’ equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period and in the corresponding (restated) period in the comparative Fiscal/period.

***54. 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.

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

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

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

Our Articles of Association, the composition of our Board of Directors and Indian laws governing our corporate affairs and procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights, may differ from those that would apply to companies incorporated in other jurisdictions.

Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholders in an Indian company than as shareholders of a corporation in another jurisdiction.

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

All of our Directors including our Chairman cum Managing Director, and Chief Executive Officer & Whole-time Director and, are residents of India and substantially all of our assets and the assets of the aforementioned persons are located in India. As a result, it may not be possible for investors outside of India to effect service of process on us or such persons from their respective jurisdictions outside of India, or to enforce against them judgments obtained in courts outside of India predicated upon our civil liabilities or such Directors including our Chairman cum Managing Director and Chief Executive Officer & Whole-time Director under the laws other than Indian Law. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce judgements if it viewed the amount of damages excessive or inconsistent with Indian public policy. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions. In order to be enforceable, a judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the civil code. Recognition and enforcement of foreign judgments is provided for under Section 13 of the Code of Civil Procedure, 1908, as amended, on a statutory basis. Section 13 of the Code of Civil Procedure, 1908, as amended, provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except:

- (i) where the judgment has not been pronounced by a court of competent jurisdiction;
  - (ii) where the judgment has not been given on the merits of the case;
  - (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice;
  - (v) where the judgment has been obtained by fraud; and
  - (vi) where the judgment sustains a claim founded on a breach of any law then in force in India.
- Under Section 14 of the Code of Civil Procedure, 1908, as amended, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

However, such presumption may be displaced by proving that the court did not have jurisdiction. Section 44A of the Code of Civil Procedure, 1908, as amended, provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Code of Civil Procedure, 1908, as amended, is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature, or of a fine or other penalties.

## SECTION IV: INTRODUCTION THE ISSUE

| PRESENT ISSUE IN TERMS OF THE DRAFT PROSPECTUS         |                                                                                                                                                                                                                                                           |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Particulars                                            | Details of Equity Shares                                                                                                                                                                                                                                  |
| <b>Issue of Equity Shares by our Company</b>           | Issue of upto 8,24,000 Equity Shares having face value of Rs.10.00 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs.                                                         |
| <b>Of which:</b>                                       |                                                                                                                                                                                                                                                           |
| <b>Market Maker Reservation Portion</b>                | Issue of [●] Equity Shares having face value of Rs.10.00 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs.                                                                   |
| <b>Net Issue to the Public</b>                         | Issue of [●] Equity Shares having face value of Rs.10.00 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs.                                                                   |
|                                                        | <b>Of which:</b>                                                                                                                                                                                                                                          |
|                                                        | [●] Equity Shares having face value of Rs.10.00 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs will be available for allocation to Retail Individual Investors.            |
|                                                        | [●] Equity Shares having face value of Rs.10.00 each at a price of Rs. [●] per Equity Share (including a share premium of Rs. [●] per Equity share) aggregating Rs. [●] lakhs will be available for allocation to other than Retail Individual Investors. |
| <b>Pre and Post Issue Share Capital of our Company</b> |                                                                                                                                                                                                                                                           |
| <b>Equity Shares outstanding prior to the Issue</b>    | 22,65,500 Equity Shares                                                                                                                                                                                                                                   |
| <b>Equity Shares outstanding after the Issue</b>       | [●] Equity Shares                                                                                                                                                                                                                                         |
| <b>Objects of the Issue</b>                            | Please refer Section titled “Objects of the Issue” on page 89 of this Draft Prospectus.                                                                                                                                                                   |

(1) Public issue of upto 8,24,000 Equity Shares face value of Rs. 10.00 each for cash at a price of Rs. [●] per Equity Share of our Company aggregating to Rs. [●] Lakhs. This issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section “Issue Structure” beginning on page 231 of this Draft Prospectus.

The present Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on December 03, 2020 and by our Equity Shareholders pursuant to a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the Annual General Meeting held on December 15, 2020.

Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- (a) Retail Individual Investors will be allocated not less than fifty (50) percent; and
- (b) Non-Institutional investors and qualified institutional buyers will be allocated not more than fifty (50) percent

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

For further details regarding the Issue Structure and Procedure, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 231 and 234 respectively of this Draft Prospectus.

**SUMMARY OF FINANCIAL INFORMATION**  
**Annexure I**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**  
**(Rs. in Lakh)**

| PARTICULARS                        | As at             | As at 31st March |                |                |
|------------------------------------|-------------------|------------------|----------------|----------------|
|                                    | 30th Sep,<br>2020 | 2020             | 2019           | 2018           |
| <b>A) EQUITY AND LIABILITIES</b>   |                   |                  |                |                |
| 1. Shareholders' Funds             |                   |                  |                |                |
| (a) Share Capital                  | 226.55            | 226.55           | 22.66          | 22.66          |
| (b) Reserves & Surplus             | 1492.00           | 1472.02          | 1434.67        | 1124.50        |
| <b>Total</b>                       | 1718.55           | 1698.57          | 1457.33        | 1147.16        |
| 2. Non-Current Liabilities         |                   |                  |                |                |
| (a) Long Term Borrowings           | 32.50             | 32.50            | 32.50          | 25.50          |
| (b) Deferred Tax Liabilities (Net) | 0.00              | 0.00             | 0.00           | 0.00           |
| (c) Other Long Term Liabilities    | 0.00              | 0.00             | 0.00           | 0.00           |
| (c) Long Term Provisions           | 21.22             | 21.22            | 11.32          | 9.14           |
| <b>Total</b>                       | 53.72             | 53.72            | 43.82          | 34.64          |
| 3. Current Liabilities             |                   |                  |                |                |
| (a) Short Term Borrowings          | 0.00              | 0.00             | 0.00           | 0.00           |
| (b) Trade Payables                 | 8.02              | 12.97            | 39.48          | 69.66          |
| (c) Other Current Liabilities      | 336.24            | 417.22           | 376.40         | 183.64         |
| (d) Short Term Provisions          | 25.73             | 119.66           | 137.83         | 100.09         |
| <b>Total</b>                       | 369.99            | 549.85           | 553.71         | 353.39         |
| <b>Grand Total</b>                 | <b>2142.26</b>    | <b>2302.13</b>   | <b>2054.86</b> | <b>1535.18</b> |
| <b>B) ASSETS</b>                   |                   |                  |                |                |
| 1. Non-Current Assets              |                   |                  |                |                |
| (a) Fixed Assets                   |                   |                  |                |                |
| i) Tangible Assets                 | 51.12             | 57.16            | 57.09          | 36.14          |
| ii) Intangible Assets              | 0.00              | 0.00             | 0.00           | 0.00           |
| <b>Total</b>                       | 51.12             | 57.16            | 57.09          | 36.14          |
| (b) Non-Current Investment         | 686.08            | 434.13           | 242.36         | 263.81         |
| (c) Deferred Tax Assets (Net)      | 4.77              | 4.64             | 4.14           | 3.98           |
| (c) Long Term Loans and Advances   | 0.00              | 0.00             | 0.00           | 0.00           |
| (d) Other Non-Current Assets       | 10.81             | 28.32            | 23.19          | 22.55          |
| <b>Total</b>                       | 701.66            | 467.08           | 269.68         | 290.34         |
| 2. Current Assets                  |                   |                  |                |                |
| (a) Inventories                    | 305.26            | 265.27           | 289.83         | 148.90         |
| (b) Trade Receivables              | 429.00            | 546.25           | 558.96         | 367.76         |
| (c) Cash and Cash equivalents      | 134.99            | 411.17           | 336.46         | 254.53         |
| (d) Short-Term Loans and Advances  | 0.00              | 0.00             | 0.00           | 0.00           |
| (e) Other Current Assets           | 520.24            | 555.21           | 542.83         | 437.52         |
| <b>Total</b>                       | 1389.49           | 1777.89          | 1728.09        | 1208.70        |
| <b>Grand Total</b>                 | <b>2142.26</b>    | <b>2302.13</b>   | <b>2054.86</b> | <b>1535.18</b> |

**Annexure II**  
**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Rs. in Lakh)**

| PARTICULARS |                                                                                 | For the<br>Period<br>ended | For the Year Ended 31st March |                |                |
|-------------|---------------------------------------------------------------------------------|----------------------------|-------------------------------|----------------|----------------|
|             |                                                                                 | 30th<br>Sep,<br>2020       | 2020                          | 2019           | 2018           |
| 1           | Revenue From Operation (Gross)                                                  | 603.88                     | 3012.53                       | 3194.24        | 2197.63        |
|             | Less: Excise Duty                                                               | 0.00                       | 0.00                          | 0.00           | 0.00           |
|             | Revenue From Operation (Net)                                                    | 603.88                     | 3012.53                       | 3194.24        | 2197.63        |
| 2           | Other Income                                                                    | 10.78                      | 29.25                         | 29.50          | 17.02          |
|             | <b>Total Revenue (1+2)</b>                                                      | <b>614.65</b>              | <b>3041.78</b>                | <b>3223.74</b> | <b>2214.65</b> |
| 3           | Expenditure                                                                     |                            |                               |                |                |
| (a)         | Cost of Goods Consumed                                                          | -                          | -                             | -              | -              |
| (a)         | Purchase of Stock in trade                                                      | 220.00                     | 885.34                        | 1163.89        | 609.37         |
| (c)         | Changes in Inventories of finished goods, work in progress and stock - in-trade | -39.99                     | 24.57                         | -140.93        | -63.97         |
| (d)         | Employee Benefit Expenses                                                       | 178.26                     | 502.93                        | 420.47         | 334.42         |
| (e)         | Finance Cost                                                                    | 0.94                       | 4.62                          | 4.98           | 4.29           |
| (f)         | Depreciation and Amortisation Expenses                                          | 6.44                       | 15.79                         | 13.99          | 12.05          |
| (g)         | Other Expenses                                                                  | 222.00                     | 1198.64                       | 1274.59        | 964.14         |
| 4           | <b>Total Expenditure 3(a) to 3(b)</b>                                           | <b>587.66</b>              | <b>2631.88</b>                | <b>2737.00</b> | <b>1860.30</b> |
| 5           | <b>Profit/(Loss) Before Tax &amp; Extraordinary Items(2-4)</b>                  | <b>27.00</b>               | <b>409.90</b>                 | <b>486.75</b>  | <b>354.35</b>  |
| 6           | Tax Expense:                                                                    |                            |                               |                |                |
| (a)         | Tax Expense for Current Year                                                    | 7.16                       | 114.53                        | 135.57         | 98.47          |
| (b)         | Short/(Excess) Provision of Earlier Year                                        | 0.00                       | 0.00                          | 0.20           | 0.28           |
| (c)         | Deferred Tax                                                                    | -0.14                      | -0.50                         | -0.16          | -0.84          |
|             | Net Current Tax Expenses                                                        | <b>7.02</b>                | <b>114.03</b>                 | <b>135.61</b>  | <b>97.91</b>   |
| 7           | <b>Profit Before Extraordinary Items</b>                                        | <b>19.98</b>               | <b>295.86</b>                 | <b>351.14</b>  | <b>256.44</b>  |
| 8           | <b>Extraordinary Items (net of Tax)</b>                                         | <b>0.00</b>                | <b>0.00</b>                   | <b>0.00</b>    | <b>0.00</b>    |
| 9           | <b>Profit/(Loss) for the Year (5-6)</b>                                         | <b>19.98</b>               | <b>295.86</b>                 | <b>351.14</b>  | <b>256.44</b>  |

**Annexure III**  
**RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS** **(Rs. In Lakhs)**

| PARTICULARS                                            | For the<br>Period<br>ended | For The Year Ended 31st<br>March |               |               |
|--------------------------------------------------------|----------------------------|----------------------------------|---------------|---------------|
|                                                        | 30th<br>Sep,<br>2020       | 2020                             | 2019          | 2018          |
| <b>A) Cash Flow From Operating Activities :</b>        |                            |                                  |               |               |
| Net Profit before tax                                  | 27.00                      | 409.90                           | 486.75        | 354.35        |
| Adjustment for :                                       |                            |                                  |               |               |
| Depreciation Fund Reverse due to sale of Fixed Assets  | 0.00                       | 0.00                             | 0.00          | 0.00          |
| Depreciation                                           | 6.44                       | 15.79                            | 13.99         | 12.05         |
| Interest Paid                                          | 0.00                       | 0.00                             | 0.00          | 0.00          |
| Loss on Sale of Fixed Asset                            | 0.00                       | 0.00                             | 0.00          | 0.00          |
| Interest Income from Investing Activities              | -4.40                      | -10.39                           | -14.83        | -10.09        |
| <b>Operating profit before working capital changes</b> | <b>29.04</b>               | <b>415.30</b>                    | <b>485.90</b> | <b>356.31</b> |
| <b>Changes in Working Capital</b>                      |                            |                                  |               |               |
| (Increase)/Decrease in Inventories                     | -39.99                     | 24.57                            | -140.93       | -63.97        |
| (Increase)/Decrease in Trade Receivables               | 117.25                     | 12.71                            | -191.21       | -13.71        |
| (Increase)/Decrease in Other Current Assets            | 34.96                      | -12.37                           | -105.32       | -64.07        |
| Increase/(Decrease) in Trade Payables                  | -4.94                      | -26.52                           | -30.17        | 53.95         |
| Increase/(Decrease) in Other Current Liabilities       | -80.99                     | 40.82                            | 192.76        | -71.78        |
| Increase/(Decrease) in Short Term Provisions           | -93.92                     | -18.17                           | 37.73         | -19.43        |
| Increase/(Decrease) in Long Term Provisions            | 0.00                       | 9.90                             | 2.19          | 9.14          |
| Cash generated from operations                         | -38.58                     | 446.24                           | 250.96        | 186.43        |
| Less:- Income Taxes paid                               | 7.16                       | 114.53                           | 135.77        | 98.75         |
| Cash Flow Before Extraordinary Item                    | -45.74                     | 331.71                           | 115.19        | 87.68         |
| Loss on Amalgamation                                   | 0                          | 0                                | 0             | 0             |
| <b>Net cash flow from operating activities</b>         | <b>-45.74</b>              | <b>331.71</b>                    | <b>115.19</b> | <b>87.68</b>  |
| <b>B) Cash Flow From Investing Activities :</b>        |                            |                                  |               |               |
| Purchase of Fixed Assets                               | -0.40                      | -15.86                           | -34.94        | -7.93         |
| Investment made during the year                        | -531.97                    | -196.91                          | -0.64         | -15.00        |
| Interest Received                                      | 4.40                       | 10.39                            | 14.83         | 10.09         |
| Loss on sale of Fixed Asset                            | 0.00                       | 0.00                             | 0.00          | 0.00          |
| Sale of investments                                    | 297.54                     | 0.00                             | 21.45         | 16.48         |
| (Increase)/Decrease in Short term Loans and Advances   | 0.00                       | 0.00                             | 0.00          | 0.00          |
| (Increase)/Decrease in Other Non Current Assets        | 0.00                       | 0.00                             | 0.00          | 0.00          |
| Investment Income                                      | 0.00                       | 0.00                             | 0.00          | 0.00          |
| <b>Net cash flow from investing activities</b>         | <b>-230.44</b>             | <b>-202.37</b>                   | <b>0.71</b>   | <b>3.64</b>   |

| PARTICULARS                                                             | For the<br>Period<br>ended               | For The Year Ended 31st<br>March          |                                           |                                           |
|-------------------------------------------------------------------------|------------------------------------------|-------------------------------------------|-------------------------------------------|-------------------------------------------|
|                                                                         | 30th<br>Sep,<br>2020                     | 2020                                      | 2019                                      | 2018                                      |
| <b>C) Cash Flow From Financing Activities :</b>                         |                                          |                                           |                                           |                                           |
| Proceeds from Issue of Share Capital                                    | 0.00                                     | 0.00                                      | 0.00                                      | 0.00                                      |
| Increase/(Decrease) in Short Term Borrowings                            | 0.00                                     | 0.00                                      | 0.00                                      | 0.00                                      |
| Increase/(Decrease) in Long Term Borrowings                             | 0.00                                     | 0.00                                      | 7.00                                      | 1.00                                      |
| Interest Paid                                                           | 0.00                                     | 0.00                                      | 0.00                                      | 0.00                                      |
| Dividend Paid                                                           | 0.00                                     | -54.62                                    | -40.97                                    | -34.08                                    |
|                                                                         |                                          |                                           |                                           |                                           |
| <b>Net cash flow from financing activities</b>                          | <b>0.00</b>                              | <b>-54.62</b>                             | <b>-33.97</b>                             | <b>-33.08</b>                             |
|                                                                         |                                          |                                           |                                           |                                           |
| <b>Net Cash Flow from Operating, Investing and Financing Activities</b> | <b>-276.18</b>                           | <b>74.71</b>                              | <b>81.93</b>                              | <b>58.24</b>                              |
|                                                                         |                                          |                                           |                                           |                                           |
| <b>Cash equivalents at the beginning of the year</b>                    | <b>411.17</b>                            | <b>336.46</b>                             | <b>254.53</b>                             | <b>196.29</b>                             |
|                                                                         |                                          |                                           |                                           |                                           |
| <b>Cash equivalents at the end of the year</b>                          | <b>134.99</b>                            | <b>411.17</b>                             | <b>336.46</b>                             | <b>254.53</b>                             |
|                                                                         |                                          |                                           |                                           |                                           |
| <b>Notes :-</b>                                                         |                                          |                                           |                                           |                                           |
| <b>Component of Cash and Cash equivalents</b>                           | <b>As on<br/>30th<br/>Sep ,<br/>2020</b> | <b>As on<br/>31st<br/>March,<br/>2020</b> | <b>As on<br/>31st<br/>March,<br/>2019</b> | <b>As on<br/>31st<br/>March,<br/>2018</b> |
| Cash on hand                                                            | 8.76                                     | 8.75                                      | 10.71                                     | 17.38                                     |
| Balance With banks                                                      | 126.23                                   | 402.42                                    | 325.75                                    | 237.15                                    |
| <b>Total</b>                                                            | <b>134.99</b>                            | <b>411.17</b>                             | <b>336.46</b>                             | <b>254.53</b>                             |

## GENERAL INFORMATION

Our Company was originally incorporated as “Siddhika Coatings Private Limited” on July 20, 2010 as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated July 20, 2010 bearing CIN: U45400DL2010PTC206024 issued by the RoC, NCT of Delhi and Haryana. Consequent upon the conversion of our Company from Private Limited Company to Public Limited Company, the name of our Company was changed to “Siddhika Coatings Limited” and fresh Certificate of Incorporation consequent upon the conversion from Private Limited Company to Public Limited Company dated January 14, 2020, bearing CIN: U45400DL2010PLC206024 was issued by the RoC, NCT of Delhi & Haryana.

For further details, please refer to section titled “*History and Certain Corporate Matters*” beginning on page no. 126 of this Draft Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

**Siddhika Coatings Limited**

L-9, Lower Ground Floor Kalkaji, New Delhi, South Delhi, Delhi 110019

**Tel. No.** +91-011- 41601441

E-mail: [contactus@siddhika.com](mailto:contactus@siddhika.com)

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

**Corporate Identification Number:** U45400DL2010PLC206024

**Registration Number:** 206024

### REGISTRAR OF COMPANIES

**Registrar of Companies, National Capital Territory of Delhi & Haryana**

4<sup>th</sup> Floor, IFCI Tower,

61, Nehru Place,

New Delhi - 110019

Tel No. 011-26235703

**Email:** [roc.delhi@mca.gov.in](mailto:roc.delhi@mca.gov.in)

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### COMPANY SECRETARY & COMPLIANCE OFFICER

**Ashish Kumar Sonwani**

**Siddhika Coatings Limited**

L-9, Lower Ground Floor Kalkaji, New Delhi, South Delhi, Delhi 110019

**Tel. No.** +91-011- 41601441

**E-mail:** [secretarial@siddhika.com](mailto:secretarial@siddhika.com) <mailto:%20secretarial@krishnaphoschem.com>

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

### CHIEF FINANCIAL OFFICER

**Chandan Tiwari**

**Siddhika Coatings Limited**

L-9, Lower Ground Floor Kalkaji, New Delhi,

South Delhi, Delhi- 110019

**Tel. No.** +91-011- 41601441

E-mail: [chandan@siddhika.com](mailto:chandan@siddhika.com)

## DESIGNATED STOCK EXCHANGE

### Emerge platform of NSE

Exchange Plaza, Plot no. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (E) Mumbai - 400051.

## BOARD OF DIRECTORS OF OUR COMPANY

The Board of Directors of our Company consist of:

| Name of Director           | DIN      | Designation                        | Address                                                                                                   |
|----------------------------|----------|------------------------------------|-----------------------------------------------------------------------------------------------------------|
| Mr. Charitra Maheshwari    | 03055689 | Managing Director                  | 53-D, Pocket A, DDA Flats, Sukhdev Vihar, New Friends Colony, South Delhi, New Delhi- 110025              |
| Mr. Gaurav Agarwal         | 06752256 | Director (Executive)               | Flat no 1508, Block B, Purva Skywood Apprt. Silver Couny, Haralur Road, Kudlu, Bangalore 560102           |
| Mr. Abhijeet Banerjee      | 05132820 | Chairman and Director (Executive)  | M-2, Rama Krishna Vihar, Plot No. 29, I.P. Extension, Patparganj, Shakarpur, East Delhi, New Delhi-110092 |
| Mr. Manvendra Pratap Singh | 07893345 | Director (Executive)               | H.No. 389, Sector 30, Amar nagar, Faridabad, Haryana - 121003                                             |
| Ms. Asha Mittal            | 08729528 | Non-Executive Independent Director | House No 145, Pocket 9, Sector 21, Rohini, Delhi, 110086                                                  |
| Mr. Pradeep Srivastava     | 08706824 | Non-Executive Independent Director | 71 Balmukund khand Giri Nagar, kalkaji, South Delhi 110019                                                |
| Mr. Inderpal Singh         | 01591639 | Non-Executive Independent Director | A- 53, Sector 49, Gautam Budh Nagar, Noida 201301                                                         |
| Mr. Ashish Kumar Tiwari    | 00254566 | Non-Executive Independent Director | 127/784/20, W-1, Saket Nagar, Juhi Colony, Kanpur, Uttar Pradesh-208014                                   |

For further details of the Directors of our Company, please refer to Section titled **“Our Management”** on page 132 of this Draft Prospectus.

### Details of Key Intermediaries pertaining to this Issue and our Company:

## LEAD MANAGER OF THE ISSUE

### Unistone Capital Private Limited

12, Floor no - 2, Shashank CHS LTD, Manmala Tank Road, Near Starcity Cinema, Mahim, Mumbai 400016, India.

**Tel No.:** +91 9322997964

**Email:** mb@unistonecapital.com

**Investor Grievance Email:** compliance@unistonecapital.com

**Website:** https://unistonecapital.com/

**Contact Person:** Mr. Brijesh Parekh  
**SEBI Regn. No.:** INM000012449

#### LEGAL ADVISOR TO THE OF ISSUE

**Ms. Lalita Kumari, Advocate Supreme Court of India,**  
D-39, Dayanand Block, Nirman Vihar, New Delhi - 110092  
**Mobile No:** +91-7011934093  
**Contact Person:** Advocate Lalita Kumari  
**Email:** lalitasoamadvocate@gmail.com  
**Regn. No.:** D-607/95

#### REGISTRAR TO THE ISSUE

**Skyline Financial Services Private Limited**  
**Telephone:** +91-11-40450193-97  
**Fax No:** +91-11-26812682  
**Email:** viren@skylinerta.com or admin@skylinerta.com  
**Investor grievance email:** info@skylinerta.com  
**Contact Person:** Ms. Sarita Singh  
**Website:** www.skylinerta.com  
**SEBI Registration Number:** INE00003241

#### BANKERS TO THE COMPANY

**ICICI Bank Limited**  
Shop Nos.G1 G2 & LGF1,Plot No.F1, Kalkaji, New Delhi, Delhi 110019  
**Tel No.:** 1860 120 7777  
**Fax No.:** NA  
**Email:** David.jacob@icicibank.com  
**Website:** www.icicibank.com  
**Contact Person:** Mr. David Jacob, Deputy Branch Manager  
**SEBI Regn Number:** INBI00000004  
**CIN No.:** L65190GJ1994PLC021012

#### ADVISORS TO THE COMPANY

**Raj Nagpal & Co. LLP**  
M-167-B, G/F, Blossom-2, Mayfield Garden, Gurugram, Haryana – 122001, India  
**Mob No.:** +91-9818944786  
**Email:** ghanisht@cheironcapital.com  
**Website:** https://www.cheironcapital.com/  
**Contact Person:** Mr. Ghanisht Nagpal, Partner  
**Regn. No.:** AAO-4499

#### STATUTORY & PEER REVIEW AUDITORS

**M/s V C A N & CO.**  
**Chartered Accountants**  
8.05, 8<sup>th</sup> Floor, H B Twin Tower, Netaji Subhash Place, Delhi - 110034, India  
**Tel. No.:** +91 - 9555373797

**Email:** abhishekjain@vcanca.com  
**Firm Registration No.:** 0125172W  
**Contact Person:** Mr. Abhishek Jain  
**Peer Review Certificate Number:** 009906

#### **BANKERS TO THE ISSUE AND REFUND BANKER**

[•]

#### **SPONSOR BANK**

[•]

#### **INVESTOR GRIEVANCES**

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

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

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

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

#### **CHANGES IN AUDITOR DURING LAST THREE FINANCIAL YEARS**

Except as mentioned below, there have been no changes in the auditors in last three Financial Years preceding the date of this Draft Prospectus.

| Sr. No. | Particulars of previous Auditor                                                                                                                                                                                                                                                                                                                                   | Particulars of new Auditor                                                                                                                                                                                                                                                                                                                                                   | Effective Date                                                                 | Reason                                                             |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|--------------------------------------------------------------------|
| 1.      | <b>VK Garg &amp; Co</b><br><b>Chartered Accountants</b><br>213, FF , Chankya Complex,<br>Subhash Chowk, Laxmi<br>Nagar,<br>Delhi - 110092<br><b>Tel. No:</b> +91- 9810232992<br><b>Email:</b><br>vinodkumargarg@gmail.com<br><b>Firm Registration No.:</b><br>009229N<br><b>Contact Person:</b> Mr. Vinod<br>Kumar Garg, Partner<br><b>Peer Review Number:</b> NA | <b>V C A N &amp; Co.</b><br><b>Chartered Accountants</b><br>8.05, 8 <sup>th</sup> Floor, H B Twin Tower,<br>Netaji Subhash Place, Delhi -<br>110034, India<br><b>Tel. No.:</b> +91 - 9555373797<br><b>Email:</b><br>abhishekjain@vcanca.com<br><b>Firm Registration No.:</b><br>0125172W<br><b>Contact Person:</b> Mr. Abhishek<br>Jain<br><b>Peer Review Number:</b> 009906 | Retired on<br>December 15,<br>2020<br><br>Appointed on<br>December 15,<br>2020 | Completion<br>of term of<br>appointment<br>as Statutory<br>Auditor |

#### SELF CERTIFIED SYNDICATE BANKS (“SCSBS”)

The list of Designated Branches that have been notified by SEBI to act as SCSBs for the ASBA process is provided on [www.sebi.gov.in/pmd/scsb.pdf](http://www.sebi.gov.in/pmd/scsb.pdf) For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

Investors are requested to refer the list of branches of the SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### INVESTORS BANKS OR ISSUER BANK FOR UPI

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Investors Bank or Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above mentioned SEBI link.

#### REGISTERED BROKERS

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

#### REGISTRAR TO THE ISSUE AND SHARE TRANSFER AGENTS

For details on registered Registrar to the issue and Share Transfer Agents (RTAs), including details such as address, telephone number and e-mail address, please refer to the below mentioned link available on SEBI website:

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=10>

## **DEPOSITORY PARTICIPANTS**

For details on registered Depository Participants (DPs), including details such as address, telephone number and e-mail address, please refer to the below mentioned link available on SEBI website:

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=19>

## **STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES AMONG LEAD MANAGERS**

Unistone Capital Private Limited is the sole Lead Manager to this issue, a statement of inter se allocation of responsibilities among Lead Managers is not required.

## **CREDIT RATING**

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

## **IPO GRADING**

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

## **DEBENTURE TRUSTEES**

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

## **TRUSTEES**

As the Issue is of Equity Shares, the appointment of Trustees is not mandatory.

## **MONITORING AGENCY**

As per Regulation 262 of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000.00 Lakh and hence our Company has not appointed a monitoring agency for this issue.

However, as per the Regulation 18 (3) read with part C of schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee of our Company would be monitoring the utilization of the proceeds of the Issue.

## **APPRAISING ENTITY**

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

## **FILING OF DRAFT PROSPECTUS/PROSPECTUS WITH BOARD AND THE REGISTRAR OF COMPANIES**

A soft copy of Draft Prospectus is being submitted to SEBI. However, SEBI will not issue any observation on the offer document in term of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Further, a soft copy of the Prospectus along with the due diligence certificate including additional confirmations shall be submitted to SEBI at its Northern Regional Office (NRO) at 5<sup>th</sup> Floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi – 110001.

Further, a copy of the Prospectus, along with the material contracts and documents referred elsewhere in the Draft Prospectus, will also be delivered to the RoC Office situated at Registrar of Companies, 4<sup>th</sup> Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019.

## **BOOK BUILDING PROCESS**

The issue being the Fixed price Issue, the brief explanation of book building process is not required.

## **EXPERT OPINIONS**

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

Our Company has received written consent from the Statutory Auditors namely, V C A N & Co., Chartered Accountants, holding a valid peer review certificate from ICAI, to include their name as required under Section 26 of the Companies Act, 2013 in this Draft Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the: (i) Restated Financial Statements dated January 16, 2021; and (ii) the Statement of Tax Benefits dated January 21, 2021 included in Draft Prospectus. Such consent has not been withdrawn up to the time of delivery of this Draft Prospectus.

Our Company has taken expert opinion from G Gupta & Associates, Practising Company Secretaries, to include his name as an "expert" as defined under Section 2(38) of the Companies Act, 2013 to the extent and in his capacity as Practising Company Secretaries and with respect to the Opinion letter dated February 08, 2021, issued by him for opinion on facilities to shareholders of Siddhika Coatings Limited for dematerialisation of shares. Further, G Gupta & Associates has also confirmed that he is an independent person with no direct or indirect interest in our Company, and he is not related in any manner to the Promoter or Directors of our Company.

However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act 1933.

## **WITHDRAWAL OF THE ISSUE**

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

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

If our Company withdraw the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will have to file a fresh Draft Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Draft Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

## **UNDERWRITING**

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten by in the capacity of Underwriter to the Issue.

Pursuant to the terms of the Underwriting Agreement dated [●], entered into by Company, and Underwriter [●], the obligations of the Underwriter are subject to certain conditions specified therein. The Details of the Underwriting commitments are as under:

| Details of the Underwriter | No. of shares underwritten | Amount Underwritten (Rs. in Lakh) | % of Total Issue Size Underwritten |
|----------------------------|----------------------------|-----------------------------------|------------------------------------|
| [●]                        | [●]                        | [●]                               | [●]                                |

As per Regulation 260 of SEBI (ICDR) Regulations, the Lead Manager has agreed to underwrite to a minimum extent of 100% of the Issue out of its own account.

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

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

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

|                               |     |
|-------------------------------|-----|
| Name                          | [●] |
| Correspondence Address:       | [●] |
| Tel No.:                      | [●] |
| Fax No.                       | [●] |
| E-mail:                       | [●] |
| Website:                      | [●] |
| Contact Person:               | [●] |
| SEBI Registration No.:        | [●] |
| Market Maker Registration No. | [●] |

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, 2018, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

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

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of SME Platform of NSE and SEBI from time to time.
- 3) The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s)

(individually or jointly) in that script provided that he sells his entire holding in that script in one lot along with a declaration to the effect to the selling broker.

- 4) The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the SME Platform (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the SME Platform of NSE from time to time).
- 5) After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our company reaches to 25% of Issue Size (Including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 25% of Issue Size would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing 2 way quotes.
- 6) There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
- 7) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 8) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 9) On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 10) The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 11) 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.
- 12) The Market Maker(s) shall have the right to terminate said arrangement by giving a six months' notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s) and execute a fresh arrangement.

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018, as amended. Further our Company and the Lead Manager reserve the right to appoint other Market Makers 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 five or as specified by the relevant laws and regulations applicable at that particulars point

of time. The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

- 13) **Risk containment measures and monitoring for Market Makers:** NSE EMERGE SME Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
- 14) **Punitive Action in case of default by Market Makers:** NSE EMERGE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

- 15) **Price Band and Spreads:** The trading shall take place in TFT segment for first 10 days of 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.
- 16) Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the Issue size and as follows:

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

All the above mentioned conditions and systems regarding the Market Making Arrangement, trading and other related aspects are subject to the applicable provisions of law, changes or additional regulations and guidelines from SEBI / Stock Exchange from time to time.

#### GREEN SHOE OPTION

The option of allotting equity shares in excess of the equity shares offered in the public issue is not exercised by the company. Therefore green shoe option is not exercised by the Company.

### CAPITAL STRUCTURE

Set forth below are the details of the Equity Share Capital of our Company as on the date of this Draft Prospectus:

Amount (Rs. in Lakhs, except share data)

| Sr. No.    | Particulars                                                                                                                                                                                          | Aggregate nominal Value | Aggregate Value at Issue Price |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|--------------------------------|
| <b>A</b>   | <b>Authorized Share Capital</b><br>32,50,000 Equity Shares having Face Value of Rs 10/- each                                                                                                         | 325.00                  | -                              |
| <b>B</b>   | <b>Issued, Subscribed &amp; Paid-up Share Capital before the Issue</b><br>22,65,500 Equity Shares having Face Value of Rs.10/- each fully paid up before the Issue.                                  | 226.55                  | -                              |
| <b>C</b>   | <b>Present Issue in terms of the Draft Prospectus<sup>^</sup></b><br>Upto 8,24,000 Equity Shares having Face Value of Rs. 10/- each with a premium of Rs. [●] per Equity Share.                      | 82.40                   | [●]                            |
|            | <b>Which Comprises</b>                                                                                                                                                                               |                         |                                |
| <b>I.</b>  | <b>Reservation for Market Maker portion</b><br>[●] Shares of Rs. 10/- each at a premium of Rs. [●]/- per Equity Share                                                                                | [●]                     | [●]                            |
| <b>II.</b> | <b>Net Issue<sup>#</sup> to the Public</b><br>[●] Equity Shares of Rs.10/- each at a premium of Rs. [●] per Equity Share                                                                             | [●]                     | [●]                            |
|            | <b>of which</b>                                                                                                                                                                                      |                         |                                |
|            | [●] Equity Shares of Rs.10/- each at a premium of Rs. [●] per Equity Share will be available for allocation for allotment to Retail Individual Investors applying for a value of up to Rs. 2.00 Lakh | [●]                     | [●]                            |
|            | [●] Equity Shares of Rs.10/- each at a premium of Rs. [●] per Equity Share will be available for allocation for allotment to Other Investors applying for a value of above Rs. 2.00 Lakh             | [●]                     | [●]                            |
| <b>D</b>   | <b>Issued, Subscribed and Paid up Equity Share capital after the Issue</b><br>30,89,500 equity Shares having Face Value of Rs.10/- each                                                              | 308.95                  |                                |
| <b>E</b>   | <b>Securities Premium Account</b>                                                                                                                                                                    |                         |                                |
|            | Before the Issue                                                                                                                                                                                     | 19.57                   |                                |
|            | After the Issue                                                                                                                                                                                      | [●]                     |                                |

<sup>#</sup>For detailed information on the Net Issue and its allocation various categories, please refer chapter titled "The Issue" on page no. 50 of this Draft Prospectus.

<sup>^</sup>Fresh Issue of Equity Shares in terms of Draft Prospectus has been authorized pursuant to a resolution of our Board of Directors dated December 03, 2020 and by special resolution passed at the Annual General Meeting of the members held on December 15, 2020.

## Class of Shares

1. Our Company has only one class of share capital i.e. Equity Shares of Rs.10/- each. All Equity Shares issued are fully paid up.
2. Our Company does not have any outstanding convertible instruments as on the date of this Draft Prospectus.

## NOTES TO THE CAPITAL STRUCTURE

### 1. Changes in the Authorized Share Capital of the Company:

Since Incorporation of our Company, the authorized share capital of our Company has been changed in the manner set forth below:

| S. No. | Particulars of Increase                                                       | Cumulative no. of Equity Shares | Cumulative Authorize Share Capital (Rs. In Lakh) | Date of Meeting | Whether AGM/EoGM |
|--------|-------------------------------------------------------------------------------|---------------------------------|--------------------------------------------------|-----------------|------------------|
| 1.     | On Incorporation                                                              | 2,50,000                        | 25.00                                            | -               | Incorporation    |
| 2.     | Increase in Authorised Share Capital from Rs. 25.00 Lakhs to Rs. 35.00 Lakhs  | 3,50,000                        | 35.00                                            | 29.06.2013      | EoGM             |
| 3.     | Increase in Authorised Share Capital from Rs. 35.00 Lakhs to Rs. 325.00 Lakhs | 32,50,000                       | 325.00                                           | 30.08.2019      | EoGM             |

### 2. History of Paid-up Share Capital of our Company:

- (a) The history of the paid-up equity share capital and the securities premium account of our company is as set out in the following table:-

| Date of Allotment | No. of Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration | Nature of Allotment          | Cumulative No. of Equity Shares | Cumulative Paid Up Share Capital (Rs.) | Cumulative Securities Premium (Rs.) |
|-------------------|-------------------------------|------------------|-------------------|-------------------------|------------------------------|---------------------------------|----------------------------------------|-------------------------------------|
| On Incorporation  | 10,000                        | 10               | 10                | Cash                    | Subscribers to MOA(i)        | 10,000                          | 1,00,000                               | -                                   |
| January 20, 2011  | 1,85,000                      | 10               | 10                | Cash                    | Further issue of shares(ii)  | 195000                          | 19,50,000                              | -                                   |
| February 15, 2011 | 13,650                        | 10               | 40                | Cash                    | Further issue of shares(iii) | 2,08,650                        | 20,86,500                              | 4,09,500                            |

| Date of Allotment | No. of Equity Shares allotted | Face Value (Rs.) | Issue Price (Rs.) | Nature of Consideration       | Nature of Allotment                  | Cumulative No. of Equity Shares | Cumulative Paid Up Share Capital (Rs.) | Cumulative Securities Premium (Rs.) |
|-------------------|-------------------------------|------------------|-------------------|-------------------------------|--------------------------------------|---------------------------------|----------------------------------------|-------------------------------------|
| June 30, 2011     | 2625                          | 10               | 40                | Cash                          | Further issue of shares (iv)         | 2,11,275                        | 21,12,750                              | 4,88,250                            |
| December 01, 2011 | 1,500                         | 10               | 30                | Cash                          | Further issue of shares (v)          | 2,12,775                        | 21,27,750                              | 5,33,250                            |
| March 31, 2012    | 37,225                        | 10               | 90                | Cash                          | Further issue of shares (vi)         | 2,50,000                        | 25,00,000                              | 38,83,500                           |
| March 23, 2015    | 25,000                        | 10               | 144               | -                             | Buy back of shares (vii)             | 225000                          | 3600000                                | 283500                              |
| March 08, 2016    | 1550                          | 10               | 209               | Cash                          | Preferential Allotment (Viii)        | 2,26,550                        | 2265500                                | 19,57,450                           |
| October 16, 2019  | 20,38,950                     | 10               | -                 | Consideration other than cash | Bonus issue in the ratio of 9:1 (ix) | 22,65,500                       | 2,26,55,000                            | -                                   |

Notes:

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

| S. No. | Names of Person | Number of Shares Allotted | Percentage Shareholding (%) |
|--------|-----------------|---------------------------|-----------------------------|
| 1.     | Sandhya Diwan   | 7500                      | 75                          |
| 2.     | Renu Bareja     | 2500                      | 25                          |
|        | <b>Total</b>    | <b>10,000</b>             | <b>100</b>                  |

ii) Further Allotment to 185000 equity shares to the following Shareholders:

| S. No. | Names of Person                                | Number of Shares Allotted |
|--------|------------------------------------------------|---------------------------|
| 1.     | Charitra Maheshwari                            | 25000                     |
| 2.     | Siddhika Business Applications Private Limited | 145000                    |
| 3.     | Charitra Maheshwari (HUF)                      | 15000                     |
|        | <b>Total</b>                                   | <b>185,000</b>            |

**iii) Further Allotment to 13650 equity shares to the following Shareholders:**

| S. No. | Names of Person     | Number of Shares Allotted | Price per equity Shares | Premium per equity shares |
|--------|---------------------|---------------------------|-------------------------|---------------------------|
| 1.     | Aditya Pratap Singh | 250                       | 10/-                    | 30/-                      |
| 2      | Syed Atif HAsan     | 275                       | 10/-                    | 30/-                      |
| 3      | Gaurav Agarwal      | 2550                      | 10/-                    | 30/-                      |
| 4      | Syed Sadman Hasan   | 250                       | 10/-                    | 30/-                      |
| 5      | Dinesh Kumar        | 250                       | 10/-                    | 30/-                      |
| 6      | Ramesh Jajoo (HUF)  | 5000                      | 10/-                    | 30/-                      |
| 7      | Rashi Maheshwari    | 1000                      | 10/-                    | 30/-                      |
| 8      | Dalveer Singh       | 325                       | 10/-                    | 30/-                      |
| 9      | Gagan Gupta         | 1250                      | 10/-                    | 30/-                      |
| 10     | Sunil Kumar Kanodia | 2500                      | 10/-                    | 30/-                      |
|        | <b>Total</b>        | <b>13,650</b>             |                         |                           |

**iv) Further Allotment to 2625 equity shares to the following Shareholders:**

| S. No. | Names of Person | Number of Shares Allotted | Price per equity Shares | Premium per equity shares |
|--------|-----------------|---------------------------|-------------------------|---------------------------|
| 1.     | Nafees Qadri    | 750                       | 10/-                    | 30/-                      |
| 2.     | Hafizur Rehman  | 1875                      | 10/-                    | 30/-                      |
|        | <b>Total</b>    | <b>2,625</b>              |                         |                           |

**v) Further Allotment to 1500 equity shares to the following Shareholders:**

| S. No. | Names of Person | Number of Shares Allotted | Price per equity Shares | Premium per equity shares |
|--------|-----------------|---------------------------|-------------------------|---------------------------|
| 1.     | Vishal Jha      | 1500                      | 10/-                    | 30/-                      |

**vi) Further Allotment to 37,225 equity shares to the following Shareholders:**

| S. No. | Names of Person         | Number of Shares Allotted | Price per equity Shares | Premium per equity shares |
|--------|-------------------------|---------------------------|-------------------------|---------------------------|
| 1.     | Anurag Diwan            | 31000                     | 10/-                    | 90/-                      |
| 2      | Anurag Diwan (HUF)      | 1250                      | 10/-                    | 90/-                      |
| 3      | Surender Kumar          | 100                       | 10/-                    | 90/-                      |
| 4      | Shiv Nidhi Pandey       | 100                       | 10/-                    | 90/-                      |
| 5      | Rajesh                  | 300                       | 10/-                    | 90/-                      |
| 6      | Charitra Maheshwari     | 815                       | 10/-                    | 90/-                      |
| 7      | Charitra Maheshwari HUF | 2700                      | 10/-                    | 90/-                      |
| 8      | Vishal Jha              | 960                       | 10/-                    | 90/-                      |
|        | <b>Total</b>            | <b>37225</b>              |                         |                           |

- <sup>(1)</sup> Further, the 7500 equity shares of Mrs. Sandhya Diwan has been transferred to Mr. Abhijeet Banerjee on 15<sup>th</sup> October 2013.

- (2) Further, the 2500 equity shares of Mrs. Renu Bareja has been transferred to Mr. Abhijeet Banerjee on 15<sup>th</sup> October 2013.
- (3) Further, the 1250 equity shares of M/s Anurag Diwan HUF has been transferred to Mr. Gaurav Agarwal on 31<sup>ST</sup> March 2014.
- (4) Further the 31000 equity shares of Mr. Anurag Diwan has been splitted on 13<sup>th</sup> March 2015 as per the following details:

| Name of the Shareholder | No of Equity Shares | Rate per equity Shares |
|-------------------------|---------------------|------------------------|
| Anurag Diwan            | 25000               | 10/-                   |
| Anurag Diwan            | 6000                | 10/-                   |

- (5) Further, the 100 equity shares of Mr. Shiv Nidhi Pandey has been transferred to Mr. Nafees on 23<sup>rd</sup> March 2015.
- (6) Further, the 25000 equity shares of Mr. Anurag Diwan has been bought back on 23<sup>rd</sup> March 2015@ Rs. 154 per equity share.
- (7) Further the 6000 equity shares of Mr. Anurag Diwan has been splitted on 08<sup>th</sup> April 2015 as per the following details:

| Name of the Shareholder | No of Equity Shares | Rate per equity Shares |
|-------------------------|---------------------|------------------------|
| Anurag Diwan            | 5500                | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| Anurag Diwan            | 50                  | 10/-                   |
| <b>Total</b>            | <b>6000</b>         |                        |

**Viii) Further Allotment of 1550 equity shares to the following shareholders:**

| Name of the Shareholder  | No of Equity Shares | Rate per equity Shares | Premium per equity shares |
|--------------------------|---------------------|------------------------|---------------------------|
| Aseem Dhawan             | 100                 | 10/-                   | 209/-                     |
| Ashish Kaushik           | 50                  | 10/-                   | 209/-                     |
| Gaurav Gupta             | 100                 | 10/-                   | 209/-                     |
| Manoj Kumar              | 100                 | 10/-                   | 209/-                     |
| Mohd Shuaib Hamid Burney | 100                 | 10/-                   | 209/-                     |
| Mohd Wasim               | 100                 | 10/-                   | 209/-                     |
| Mohd Rizwan              | 100                 | 10/-                   | 209/-                     |
| Manoj Singh              | 50                  | 10/-                   | 209/-                     |
| Mukesh Pandey            | 100                 | 10/-                   | 209/-                     |
| Rajendra Prasad Sah      | 100                 | 10/-                   | 209/-                     |
| Ravendra Kumar           | 100                 | 10/-                   | 209/-                     |
| Sanjay Das               | 100                 | 10/-                   | 209/-                     |
| Santosh Kumar            | 100                 | 10/-                   | 209/-                     |
| Santosh Kumar Yadav      | 100                 | 10/-                   | 209/-                     |
| Siraj Ahmed              | 100                 | 10/-                   | 209/-                     |

| Name of the Shareholder | No of Equity Shares | Rate per equity Shares | Premium per equity shares |
|-------------------------|---------------------|------------------------|---------------------------|
| Sonu Kumar Rai          | 100                 | 10/-                   | 209/-                     |
| Subhash Chander         | 50                  | 10/-                   | 209/-                     |
| <b>Total</b>            | <b>1550</b>         |                        |                           |

- (8) Further, the 2460 equity shares of Mr. Vishal Jha has been transferred to Mr. Gaurav Agarwal on 10<sup>th</sup> March 2016.
- (9) Further the 1250 equity shares of Mr. Gagan Gupta has been splitted on 03<sup>rd</sup> January 2017 in the denomination of 50.
- (10) Further the 100 equity shares of Mr. Gagan Gupta has been transferred to Ms. Vandana on 14<sup>th</sup> January 2017.
- (11) Further the 100 equity shares of Mr. Gagan Gupta has been transferred to Mr. Gaurav Maheshwari on 14<sup>th</sup> January 2017
- (12) Further the 300 equity shares of Mr. Gagan Gupta has been transferred to Mr. Manvendra Pratap Singh on 14<sup>th</sup> January 2017.

- (13) **Further the 325 equity shares of Mr. Dalveer Singh has been splitted on 14<sup>th</sup> February 2017 as per the following details:**

| Name of the Shareholder | No of Equity Shares | Rate per equity Shares |
|-------------------------|---------------------|------------------------|
| Dalveer Singh           | 100                 | 10/-                   |
| Dalveer Singh           | 100                 | 10/-                   |
| Dalveer Singh           | 100                 | 10/-                   |
| Dalveer Singh           | 25                  | 10/-                   |

- (14) Further the 200 equity shares of Mr. Dalveer Singh has been transferred to Mr. Manvendra Pratap Singh on 27<sup>th</sup> February 2017.
- (15) Further the 250 equity shares of Mr. Syed Sadman Hasan has been transferred to Mr. Gaurav Agarwal on 27<sup>th</sup> February 2017.
- (16) Further the 100 equity shares of Mr. Rajendra Prasad Sah has been transferred to Ms. Susmita Karmakar on 22<sup>nd</sup> December, 2017.
- (17) Further the 50 equity shares of Mr. Ashish Kaushik has been transferred to Mr. Manvendra Pratap Singh on 14.01.2019.

- ix) Issue of bonus Shares under the Bonus Issue in the ratio of 9:1 to the members of the Company, whose name appeared in the Register of Member (Record date i.e. 23.08. 2019) and the bonus allotment date is 16<sup>th</sup> October 2019. The details of the said allotment are as under:

| Name of the Shareholder                        | No of Equity Shares | Rate per equity Shares |
|------------------------------------------------|---------------------|------------------------|
| Charitra Maheshwari                            | 232335              | 10/-                   |
| Siddhika Business Applications Private Limited | 1305000             | 10/-                   |
| Charitra Maheshwari (H.U.F.)                   | 159300              | 10/-                   |
| Aditya Pratap Singh                            | 2250                | 10/-                   |
| Syed Atif Hassan                               | 2475                | 10/-                   |
| Gaurav Agarwal                                 | 63090               | 10/-                   |
| Dinesh Kumar                                   | 2250                | 10/-                   |
| Ramesh Jajoo (H.U.F)                           | 45000               | 10/-                   |
| Rashi Maheshwari                               | 9000                | 10/-                   |

| Name of the Shareholder   | No of Equity Shares | Rate per equity Shares |
|---------------------------|---------------------|------------------------|
| Dalveer Singh             | 1125                | 10/-                   |
| Gagan Gupta               | 6750                | 10/-                   |
| Sunil Kumar Kanodia       | 22500               | 10/-                   |
| Nafees                    | 10350               | 10/-                   |
| Hafizur Rehman            | 16875               | 10/-                   |
| Anurag Diwan              | 49500               | 10/-                   |
| Surender Kumar            | 900                 | 10/-                   |
| Abhijeet Banerjee         | 90000               | 10/-                   |
| Aseem Dhawan              | 900                 | 10/-                   |
| Gaurav Gupta              | 900                 | 10/-                   |
| Manoj Kumar               | 900                 | 10/-                   |
| Mohd. Shuaib Hamid Burney | 900                 | 10/-                   |
| Mohd. Wasim               | 900                 | 10/-                   |
| Mohd Rizwan               | 900                 | 10/-                   |
| Manoj Singh               | 450                 | 10/-                   |
| Mukesh Kumar              | 900                 | 10/-                   |
| Ravendra Kumar            | 900                 | 10/-                   |
| Sanjay Das                | 900                 | 10/-                   |
| Santosh Kumar             | 900                 | 10/-                   |
| Santosh Kumar Yadav       | 900                 | 10/-                   |
| Siraj Ahmed               | 900                 | 10/-                   |
| Sonu Kumar                | 900                 | 10/-                   |
| Subhash Chander           | 450                 | 10/-                   |
| Vandana Tiwari            | 900                 | 10/-                   |
| Gaurav Maheshwari         | 900                 | 10/-                   |
| Manvendra Pratap Singh    | 4950                | 10/-                   |
| Susmita Karmakar          | 900                 | 10/-                   |
| <b>TOTAL</b>              | <b>2038950</b>      |                        |

- b) As on the date of this Draft Prospectus, our Company does not have any preference share capital.
- Our Company has made an issue for consideration other cash i.e. Bonus Issue in the ratio of 9 Equity Shares for every 1 Equity Share held by the shareholders as on Record Date 23<sup>rd</sup> August, 2019 as per details given at note ix above.
  - Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391-394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013 at any point of time since incorporation.
  - Our Company has not revalued its assets since inception and has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves.
  - Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

## 7. Shareholding Pattern:

The shareholding pattern of our Company before the issue as per Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given here below:

| S. No. | Particular                                                                       | Yes/No | Promoter and Promoter Group | Public Shareholder | Non-Promoter – Non-Public |
|--------|----------------------------------------------------------------------------------|--------|-----------------------------|--------------------|---------------------------|
| 1.     | Whether the Company has issued any partly paid up shares?                        | No     | No                          | No                 | No                        |
| 2.     | Whether the Company has issued any Convertible Securities?                       | No     | No                          | No                 | No                        |
| 3.     | Whether the Company has issued any Warrants?                                     | No     | No                          | No                 | No                        |
| 4.     | Whether the Company has any shares against which depository receipts are issued? | No     | No                          | No                 | No                        |
| 5.     | Whether the Company has any shares in locked-in?*                                | No     | No                          | No                 | No                        |
| 6.     | Whether any shares held by Promoter are pledge or otherwise encumbered?          | No     | No                          | No                 | No                        |
| 7.     | Whether company has equity shares with differential voting rights?               | No     | No                          | No                 | No                        |

\* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on EMERGE Platform of NSE.

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

The table below represents the shareholding pattern of our Company in accordance with Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as on the date of the Draft Prospectus:

**I. Summary of Shareholding Pattern: -**

| Category<br>y | Category of<br>shareholder      | Nos. of<br>share<br>holders | No. of<br>fully paid<br>up equity<br>shares<br>held | No. of<br>Partly<br>paid-up<br>equity<br>shares<br>held | No. of<br>shares<br>underl<br>ying<br>Deposi<br>tory<br>Receip<br>ts | Total nos.<br>shares<br>held | Sharehol<br>ding as a<br>% of<br>total no.<br>of shares<br>(calculat<br>ed as per<br>SCRR,<br>1957)<br>As a %<br>of<br>(A+B+C<br>2) | Number of Voting Rights held in each class<br>of securities <sup>1</sup> |         |         |                                  | No. of<br>Shares<br>Underlyin<br>g<br>Outstandi<br>ng<br>convertibl<br>e<br>securities<br>(including<br>Warrants) | Sharehold<br>ng , as a<br>%<br>assuming<br>full<br>conversion<br>of<br>convertibl<br>e<br>securities (<br>as a<br>percentage<br>of diluted<br>share<br>capital)<br>As a % of<br>(A+B+C2) | Number of<br>Locked in<br>shares <sup>3</sup> |                                                          | Number<br>of Shares<br>pledged<br>or<br>otherwise<br>encumber<br>ed |                                                        | Number<br>of equity<br>shares<br>held in<br>demateri<br>alized<br>form <sup>4</sup> |
|---------------|---------------------------------|-----------------------------|-----------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------|---------|----------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|----------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------|
|               |                                 |                             |                                                     |                                                         |                                                                      |                              |                                                                                                                                     | No of Voting Rights                                                      |         |         | Total as<br>a<br>% of<br>(A+B+C) |                                                                                                                   |                                                                                                                                                                                          | No. (a)                                       | As<br>a<br>%<br>of<br>total<br>Sha<br>res<br>held<br>(b) | No. (a)                                                             | As a<br>%<br>of<br>total<br>Sha<br>re s<br>held<br>(b) |                                                                                     |
|               |                                 |                             |                                                     |                                                         |                                                                      |                              |                                                                                                                                     | Class<br>Equity<br>Shares<br>of<br>Rs.10/-<br>each <sup>2</sup>          | Class Y | Total   |                                  |                                                                                                                   |                                                                                                                                                                                          |                                               |                                                          |                                                                     |                                                        |                                                                                     |
| I             | II                              | III                         | IV                                                  | V                                                       | VI                                                                   | VII =<br>IV+V+<br>VI         | VIII                                                                                                                                | IX                                                                       |         |         |                                  | X                                                                                                                 | XI=VII<br>+X                                                                                                                                                                             | XII                                           | XIII                                                     | XIV                                                                 |                                                        |                                                                                     |
| (A)           | Promoter &<br>Promoter<br>Group | 4                           | 1895150                                             | -                                                       | -                                                                    | 1895150                      | 83.65                                                                                                                               | 1895150                                                                  | -       | 1895150 | 83.65                            | -                                                                                                                 | 83.65                                                                                                                                                                                    | -                                             | -                                                        | 1895150                                                             |                                                        |                                                                                     |
| (B)           | Public                          | 32                          | 370350                                              | -                                                       | -                                                                    | 370350                       | 16.35                                                                                                                               | 370350                                                                   | -       | 370350  | 16.35                            | -                                                                                                                 | 16.35                                                                                                                                                                                    | -                                             | -                                                        | 334675                                                              |                                                        |                                                                                     |
| (C)           | Non<br>Promoter-<br>Non Public  | -                           | -                                                   | -                                                       | -                                                                    | -                            | -                                                                                                                                   | -                                                                        | -       | -       | -                                | -                                                                                                                 | -                                                                                                                                                                                        | -                                             | -                                                        | -                                                                   |                                                        |                                                                                     |

| Category<br>y | Category of<br>shareholder       | Nos. of<br>share<br>holders | No. of<br>fully paid<br>up equity<br>shares<br>held | No. of<br>Partly<br>paid-up<br>equity<br>shares<br>held | No. of<br>shares<br>underl<br>ying<br>Deposi<br>tory<br>Receipt<br>s | Total nos.<br>shares<br>held | Sharehol<br>ding as a<br>% of<br>total no.<br>of shares<br>(calculat<br>ed as per<br>SCRR,<br>1957)<br>As a %<br>of<br>(A+B+C<br>2) | Number of Voting Rights held in each class<br>of securities <sup>1</sup> |         |         |                                  | No. of<br>Shares<br>Underlyin<br>g<br>Outstandi<br>ng<br>convertibl<br>e<br>securities<br>(including<br>Warrants) | Sharehold<br>ing , as a<br>%<br>assuming<br>full<br>conversion<br>of<br>convertibl<br>e<br>securities (<br>as a<br>percentage<br>of diluted<br>share<br>capital)<br>As a % of<br>(A+B+C2) | Number of<br>Locked in<br>shares <sup>3</sup> |                                                              | Number<br>of Shares<br>pledged<br>or<br>otherwise<br>encumber<br>ed |                                                        | Number<br>of equity<br>shares<br>held in<br>demateri<br>alized<br>form <sup>4</sup> |
|---------------|----------------------------------|-----------------------------|-----------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------------------|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------|---------|----------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------|
|               |                                  |                             |                                                     |                                                         |                                                                      |                              |                                                                                                                                     | No of Voting Rights                                                      |         |         | Total as<br>a<br>% of<br>(A+B+C) |                                                                                                                   |                                                                                                                                                                                           | No. (a)                                       | As<br>a<br>%<br>of<br>total<br>Sha<br>res<br>hel<br>d<br>(b) | No.<br>(a)                                                          | As a<br>%<br>of<br>total<br>Sha<br>re s<br>held<br>(b) |                                                                                     |
|               |                                  |                             |                                                     |                                                         |                                                                      |                              |                                                                                                                                     | Class<br>Equity<br>Shares<br>of<br>Rs.10/-<br>each <sup>2</sup>          | Class Y | Total   |                                  |                                                                                                                   |                                                                                                                                                                                           |                                               |                                                              |                                                                     |                                                        |                                                                                     |
|               |                                  |                             |                                                     |                                                         |                                                                      |                              |                                                                                                                                     |                                                                          |         |         |                                  |                                                                                                                   |                                                                                                                                                                                           |                                               |                                                              |                                                                     |                                                        |                                                                                     |
| (C1)          | Shares<br>underlying<br>DRs      | -                           | -                                                   | -                                                       | -                                                                    | -                            | -                                                                                                                                   | -                                                                        | -       | -       | -                                | -                                                                                                                 | -                                                                                                                                                                                         | -                                             | -                                                            | -                                                                   | -                                                      | -                                                                                   |
| (C2)          | Shares held<br>by Emp.<br>Trusts | -                           | -                                                   | -                                                       | -                                                                    | -                            | -                                                                                                                                   | -                                                                        | -       | -       | -                                | -                                                                                                                 | -                                                                                                                                                                                         | -                                             | -                                                            | -                                                                   | -                                                      | -                                                                                   |
|               | Total                            | 36                          | 2265500                                             | -                                                       | -                                                                    | 2265500                      | 100                                                                                                                                 | 2265500                                                                  | -       | 2265500 | 100                              | -                                                                                                                 | 100                                                                                                                                                                                       | -                                             | -                                                            | -                                                                   | -                                                      | 2229825                                                                             |

Note

<sup>1</sup> As on date of this Draft Prospectus 1 Equity share holds 1 vote

<sup>2</sup> We have only one class of Equity Shares of face value of Rs. 10/- each.

<sup>3</sup> All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on EMERGE Platform of National Stock Exchange Of India Limited.

<sup>4</sup> Our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of shares.

## II.Shareholding pattern of the Promoter and Promoter Group

| S.No. | Category & Name of the Shareholders    | PAN        | No. of share holders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding calculated as per SCRR, 1957) As a % of A+B+C2) | Number of Voting Rights held in each class of securities <sup>1</sup> |   |        |                                     | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2 | Number of Locked in shares <sup>3</sup> |                                 | Number of Shares pledged or otherwise |                                 | Number of equity shares held in dematerialized form <sup>4</sup> |
|-------|----------------------------------------|------------|----------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------|------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------|---|--------|-------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------|---------------------------------------|---------------------------------|------------------------------------------------------------------|
|       |                                        |            |                      |                                         |                                   |                                               |                        |                                                              | No of Voting Rights                                                   |   |        | Total as a % of Total Voting rights |                                                                                  |                                                                                                                                     | No.                                     | As a % of total shares held (b) | No.                                   | As a % of total shares held (b) |                                                                  |
|       |                                        |            |                      |                                         |                                   |                                               |                        |                                                              | Class Equity Shares of Rs.10/- each <sup>2</sup>                      |   | Total  |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
|       | I                                      | II         | III                  | IV                                      | V                                 | VI                                            | VII=IV+V+VI            | VIII                                                         | IX                                                                    |   |        |                                     | X                                                                                | XI = VII+ X                                                                                                                         | XII                                     | XIII                            | XIV                                   |                                 |                                                                  |
| (1)   | Indian                                 |            |                      |                                         |                                   |                                               |                        |                                                              |                                                                       |   |        |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
| (a)   | Individuals/<br>Hindu undivided Family |            |                      |                                         |                                   |                                               |                        |                                                              |                                                                       |   |        |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
|       | Charitra Maheshwari                    | AAYPM4289K |                      | 258150                                  | -                                 | -                                             | 258150                 | 11.39                                                        | 258150                                                                | - | 258150 | 11.39                               | -                                                                                | 11.39                                                                                                                               | -                                       | -                               | 258150                                |                                 |                                                                  |
|       | Charitra Maheshwari (H.U.F.)           | AACHC7952B |                      | 177000                                  | -                                 | -                                             | 177000                 | 7.81                                                         | 177000                                                                | - | 177000 | 7.81                                | -                                                                                | 7.81                                                                                                                                | -                                       | -                               | 177000                                |                                 |                                                                  |
|       | Rashi Maheshwari                       | AJFPM4703N |                      | 10000                                   | -                                 | -                                             | 10000                  | 0.44                                                         | 10000                                                                 | - | 10000  | 0.44                                | -                                                                                | 0.44                                                                                                                                |                                         |                                 | 10000                                 |                                 |                                                                  |
| (b)   | Central Government/                    | -          | -                    | -                                       | -                                 | -                                             | -                      | -                                                            | -                                                                     | - | -      | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     |                                 |                                                                  |

| S.No. | Category & Name of the Shareholders                          | PAN        | No. of share holders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding calculated as per SCRR, 1957)<br><br>As a % of A+B+C2) | Number of Voting Rights held in each class of securities <sup>1</sup> |   |         |                                     | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2 | Number of Locked in shares <sup>3</sup> |                                 | Number of Shares pledged or otherwise |                                 | Number of equity shares held in dematerialized form <sup>4</sup> |
|-------|--------------------------------------------------------------|------------|----------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------|------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------|---|---------|-------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------|---------------------------------------|---------------------------------|------------------------------------------------------------------|
|       |                                                              |            |                      |                                         |                                   |                                               |                        |                                                                     | No of Voting Rights                                                   |   |         | Total as a % of Total Voting rights |                                                                                  |                                                                                                                                     | No.                                     | As a % of total shares held (b) | No.                                   | As a % of total shares held (b) |                                                                  |
|       |                                                              |            |                      |                                         |                                   |                                               |                        |                                                                     | Class Equity Shares of Rs.10/- each <sup>2</sup>                      |   | Total   |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
|       | State Government(s)                                          |            |                      |                                         |                                   |                                               |                        |                                                                     |                                                                       |   |         |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
| (c)   | Financial Institutions/ Banks                                | -          | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
| (d)   | Any Other                                                    |            | 1                    |                                         |                                   |                                               |                        |                                                                     |                                                                       |   |         |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
|       | Siddhika Business Applications Pvt. Ltd.                     | AAOCS6132L | -                    | 1450000                                 |                                   |                                               | 1450000                | 64                                                                  | 1450000                                                               |   | 1450000 | 64                                  |                                                                                  | 64                                                                                                                                  |                                         |                                 |                                       | 1450000                         |                                                                  |
|       | Sub-Total (A)(1)                                             |            | 4                    | 1895150                                 | -                                 | -                                             | 83.65                  | 83.65                                                               | 1895150                                                               | - | 1895150 | 83.65                               | -                                                                                | 83.65                                                                                                                               | -                                       | -                               | -                                     | 1895150                         |                                                                  |
| (2)   | Foreign                                                      |            |                      |                                         |                                   |                                               |                        |                                                                     |                                                                       |   |         |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
| (a)   | Individuals (Non- Resident Individuals/ Foreign Individuals) | -          | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
| (b)   | Government                                                   | -          | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |

| S.No. | Category & Name of the Shareholders                                  | PAN | No. of share holders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding calculated as per SCRR, 1957)<br><br>As a % of A+B+C2) | Number of Voting Rights held in each class of securities <sup>1</sup> |   |         |                                     | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) as a % of A+B+C2 | Number of Locked in shares <sup>3</sup> |                                 | Number of Shares pledged or otherwise |                                 | Number of equity shares held in dematerialized form <sup>4</sup> |
|-------|----------------------------------------------------------------------|-----|----------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------|------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------------|---|---------|-------------------------------------|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------------------|---------------------------------------|---------------------------------|------------------------------------------------------------------|
|       |                                                                      |     |                      |                                         |                                   |                                               |                        |                                                                     | No of Voting Rights                                                   |   |         | Total as a % of Total Voting rights |                                                                                  |                                                                                                                                     | No.                                     | As a % of total shares held (b) | No.                                   | As a % of total shares held (b) |                                                                  |
|       |                                                                      |     |                      |                                         |                                   |                                               |                        |                                                                     | Class Equity Shares of Rs.10/- each <sup>2</sup>                      |   | Total   |                                     |                                                                                  |                                                                                                                                     |                                         |                                 |                                       |                                 |                                                                  |
| (c)   | Institutions                                                         | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
| (d)   | Foreign Portfolio Investor                                           | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
| (f)   | Any Other                                                            | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
|       | Sub-Total (A)(2)                                                     | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                   | -                                                                     | - | -       | -                                   | -                                                                                | -                                                                                                                                   | -                                       | -                               | -                                     | -                               |                                                                  |
|       | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) |     | 4                    | 1895150                                 | -                                 | -                                             | 83.65                  | 83.65                                                               | 1895150                                                               | - | 1895152 | 83.65                               | -                                                                                | 83.65                                                                                                                               | -                                       | -                               | -                                     | 1895150                         |                                                                  |

Note

<sup>1</sup> As on date of this Draft Prospectus 1 Equity share holds 1 vote

<sup>2</sup> We have only one class of Equity Shares of face value of Rs. 10/- each.

<sup>3</sup> All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of National Stock Exchange Of India Limited.

<sup>4</sup> Our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of shares.

### III- Shareholding pattern of the Public shareholder

| S.No. | Category & Name of the Shareholders                                         | PAN | No. of share holders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Share holding % (calculated as per SCRR, 1957)<br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |         |       |                                     | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                                 | Number of equity shares held in dematerialized form |
|-------|-----------------------------------------------------------------------------|-----|----------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------|------------------------|----------------------------------------------------------------------|----------------------------------------------------------|---------|-------|-------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------------|--------------------------------------------------|-------------------------------------------------|-----------------------------------------------------|
|       |                                                                             |     |                      |                                         |                                   |                                               |                        |                                                                      | No of Voting Rights                                      |         |       | Total as a % of Total Voting rights |                                                                                  |                                                                                                                          | No. (a)                    | As a % of total shares held (b) | No. (not applicable) (a)                         | As a % of total shares held (not applicable)(b) |                                                     |
|       |                                                                             |     |                      |                                         |                                   |                                               |                        |                                                                      | Class Equity Shares of Rs.10/- each                      | Class Y | Total |                                     |                                                                                  |                                                                                                                          |                            |                                 |                                                  |                                                 |                                                     |
|       | I                                                                           | II  | III                  | IV                                      | V                                 | VI                                            | VII=IV+V+VI            | VIII                                                                 | IX                                                       |         |       |                                     | X                                                                                | XI= VII+ X                                                                                                               | XII                        |                                 | XIII                                             |                                                 | XIV                                                 |
| (1)   | Institutions                                                                |     |                      |                                         |                                   |                                               |                        |                                                                      |                                                          |         |       |                                     |                                                                                  |                                                                                                                          |                            |                                 |                                                  |                                                 |                                                     |
| (a)   | Mutual Funds                                                                | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (b)   | Venture Capital Funds                                                       | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (c)   | Alternate Investment Funds                                                  | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (d)   | Foreign Venture Capital Investors                                           | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (e)   | Foreign Portfolio Investors                                                 | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (f)   | Financial Institutions/ Banks                                               | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (g)   | Insurance Companies                                                         | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (h)   | Provident Funds/ Pension Funds                                              | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (i)   | Any Other (specify)                                                         | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
|       | Sub-Total (B)(1)                                                            | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (2)   | Central Government/ State Government(s)/ President of India                 | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
|       | Sub-Total (B)(2)                                                            | -   | -                    | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
| (3)   | Non-institutions                                                            |     |                      |                                         |                                   |                                               |                        |                                                                      |                                                          |         |       |                                     |                                                                                  |                                                                                                                          |                            |                                 |                                                  |                                                 |                                                     |
| (a)   | Individuals                                                                 | -   |                      | -                                       | -                                 | -                                             | -                      | -                                                                    | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                               | -                                                | -                                               |                                                     |
|       | i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs. | -   | 27                   | 70250                                   | -                                 | -                                             | 70250                  | 3.10                                                                 | 70250                                                    | -       | 70250 | 3.10                                | -                                                                                | 3.10                                                                                                                     | -                          | -                               | -                                                | 34575                                           |                                                     |

| S.No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Category & Name of the Shareholders                                                 | PAN | No. of share holders | No. of fully paid up equity share s held | Partly paid-up equity shares held | Nos. of shares underlying Deposito ry Receipts | Total nos. shares held | Share holdin g % ( calcul ated as per SCRR , 1957) As a % of (A+B +C2) | Number of Voting Rights held in each class of securities |         |        |                                      | No. of Shares Underlyi ng Outstand ing convertib le securities (includin g Warrant s) | Total Sharehold ing , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) | Number of Locked in shares |                                 | Number of Shares pledged or otherwise encumbered |                                                    | Number of equity shares held in dematerialized form |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-----|----------------------|------------------------------------------|-----------------------------------|------------------------------------------------|------------------------|------------------------------------------------------------------------|----------------------------------------------------------|---------|--------|--------------------------------------|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------------|--------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                     |     |                      |                                          |                                   |                                                |                        |                                                                        | No of Voting Rights                                      |         |        | Total as a % of Total Votin g rights |                                                                                       |                                                                                                                             | No. (a)                    | As a % of total shares held (b) | No. (not applic able) (a)                        | As a % of total share s held (not applic able)( b) |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                     |     |                      |                                          |                                   |                                                |                        |                                                                        | Class Equity Shares of Rs.10/- each                      | Class Y | Total  |                                      |                                                                                       |                                                                                                                             |                            |                                 |                                                  |                                                    |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | -   | 5                    | 300100                                   | -                                 | -                                              | 300100                 | 13.25                                                                  | 300100                                                   | -       | 300100 | 13.25                                | -                                                                                     | 13.25                                                                                                                       | -                          | -                               | -                                                | 300100                                             |                                                     |
| (b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | NBFCs registered with RBI                                                           | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
| (c)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Employee Trusts                                                                     | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
| (d)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Overseas Depositories (holding DRs) (balancing figure)                              | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
| (e)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Any Other                                                                           | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Body Corporate                                                                      | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Clearing Members                                                                    | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Non Resident Indians (Non Repat)                                                    | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Non Resident Indians (NRI's)                                                        | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Non Resident Indians (Repat)                                                        | -   | -                    | -                                        | -                                 | -                                              | -                      | -                                                                      | -                                                        | -       | -      | -                                    | -                                                                                     | -                                                                                                                           | -                          | -                               | -                                                | -                                                  |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Sub-Total (B)(3)                                                                    | -   |                      |                                          |                                   |                                                |                        |                                                                        |                                                          |         |        |                                      |                                                                                       |                                                                                                                             |                            |                                 |                                                  |                                                    |                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)                                 |     | 32                   | 370350                                   | -                                 | -                                              | 370350                 | 16.35                                                                  | 370350                                                   | -       | 370350 | 16.35                                | -                                                                                     | 16.35                                                                                                                       | -                          | -                               | -                                                | 334675                                             |                                                     |
| <div>Note</div> <div><sup>1</sup> As on date of this Draft Prospectus 1 Equity share holds 1 vote</div> <div><sup>2</sup> We have only one class of Equity Shares of face value of Rs. 10/- each.</div> <div><sup>3</sup> All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of National Stock Exchange Of India Limited.</div> <div><sup>4</sup> Our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of shares.</div> |                                                                                     |     |                      |                                          |                                   |                                                |                        |                                                                        |                                                          |         |        |                                      |                                                                                       |                                                                                                                             |                            |                                 |                                                  |                                                    |                                                     |

**IV - Shareholding pattern of the Non Promoter- Non Public shareholder**

| S.No. | Category & Name of the Shareholders                                                  | PAN | No. of shareholders | No. of fully paid up equity shares held | Partly paid-up equity shares held | Nos. of shares underlying Depository Receipts | Total nos. shares held | Shareholding (calculated as per SCRR, 1957)<br><br>As a % of (A+B+C2) | Number of Voting Rights held in each class of securities |         |       |                                     | No. of Shares Underlying Outstanding convertible securities (including Warrants) | Total Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) | Number of Locked in shares |                             | Number of Shares pledged or otherwise encumbered |                                              | Number of equity shares held in Share dematerialized form (Not applicable) |
|-------|--------------------------------------------------------------------------------------|-----|---------------------|-----------------------------------------|-----------------------------------|-----------------------------------------------|------------------------|-----------------------------------------------------------------------|----------------------------------------------------------|---------|-------|-------------------------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------|-----------------------------|--------------------------------------------------|----------------------------------------------|----------------------------------------------------------------------------|
|       |                                                                                      |     |                     |                                         |                                   |                                               |                        |                                                                       | No of Voting Rights                                      |         |       | Total as a % of Total Voting rights |                                                                                  |                                                                                                                          | No.                        | As a % of total Shares held | No. (not applicable)                             | As a % of total shares held (not applicable) |                                                                            |
|       |                                                                                      |     |                     |                                         |                                   |                                               |                        |                                                                       | Class Equity Shares of Rs.10/- each                      | Class Y | Total |                                     |                                                                                  |                                                                                                                          |                            |                             |                                                  |                                              |                                                                            |
|       | I                                                                                    | II  | III                 | IV                                      | V                                 | VI                                            | VII=IV+V+VI            | VIII                                                                  | IX                                                       |         |       |                                     | X                                                                                | XI= VII+ X                                                                                                               | XII                        | XIII                        |                                                  | XIV                                          |                                                                            |
| (1)   | Custodian/DR Holder                                                                  |     |                     |                                         |                                   |                                               |                        |                                                                       |                                                          |         |       |                                     |                                                                                  |                                                                                                                          |                            |                             |                                                  |                                              |                                                                            |
| (a)   | Name of DR Holder                                                                    | -   | -                   | -                                       | -                                 | -                                             | -                      | -                                                                     | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                           | -                                                | -                                            |                                                                            |
|       | Sub Total (c ) (1)                                                                   | -   | -                   | -                                       | -                                 | -                                             | -                      | -                                                                     | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                           | -                                                | -                                            |                                                                            |
| (2)   | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | -   | -                   | -                                       | -                                 | -                                             | -                      | -                                                                     | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                           | -                                                | -                                            |                                                                            |
|       | Sub Total (C ) (2)                                                                   | -   | -                   | -                                       | -                                 | -                                             | -                      | -                                                                     | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                           | -                                                | -                                            |                                                                            |
|       | Total Non- Promoter Non-Public shareholding (C )= (C ) (1)+ (C ) (2)                 | -   | -                   | -                                       | -                                 | -                                             | -                      | -                                                                     | -                                                        | -       | -     | -                                   | -                                                                                | -                                                                                                                        | -                          | -                           | -                                                | -                                            |                                                                            |

Note:<sup>1</sup> As on date of this Draft Prospectus 1 Equity share holds 1 vote

<sup>2</sup> We have only one class of Equity Shares of face value of Rs. 10/- each.

<sup>3</sup> All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of National Stock Exchange of India Limited.

<sup>4</sup> Our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of shares.

**8. List of our major Shareholders:**

- a) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on date of the Draft Prospectus:

| Sr. No. | Names                                          | Shares Held (Face Value of Rs. 10 each) | % of shares held (% Pre Issue paid up Capital)* |
|---------|------------------------------------------------|-----------------------------------------|-------------------------------------------------|
| 1.      | Siddhika Business Applications Private Limited | 1450000                                 | 64.00                                           |
| 2.      | Charitra Maheshwari                            | 258150                                  | 11.39                                           |
| 3.      | Charitra Maheshwari HUF                        | 177000                                  | 7.81                                            |
| 4.      | Abhijeet Banerjee                              | 100000                                  | 4.41                                            |
| 5.      | Gaurav Agarwal                                 | 70100                                   | 3.09                                            |
| 6.      | Anurag Diwan                                   | 55000                                   | 2.43                                            |
| 7.      | Ramesh Jajoo (HUF)                             | 50000                                   | 2.21                                            |
| 8.      | Sunil Kumar Kanodia                            | 25000                                   | 1.10                                            |
|         | <b>Total</b>                                   | <b>2185250</b>                          | <b>96.46</b>                                    |

\*The Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on the date of the Draft Prospectus.

- b) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on two years prior to date of the Draft Prospectus:

| Sr. No. | Names                                          | Shares Held (Face Value of Rs. 10 each) | % of shares held (% Pre Issue paid up Capital) |
|---------|------------------------------------------------|-----------------------------------------|------------------------------------------------|
| 1.      | Siddhika Business Applications Private Limited | 145000                                  | 64.00                                          |
| 2.      | Charitra Maheshwari                            | 25815                                   | 11.39                                          |
| 3.      | Charitra Maheshwari HUF                        | 17700                                   | 7.81                                           |
| 4.      | Abhijeet Banerjee                              | 10000                                   | 4.41                                           |
| 5.      | Gaurav Agarwal                                 | 7010                                    | 3.09                                           |
| 6.      | Anurag Diwan                                   | 5500                                    | 2.43                                           |
| 7.      | Ramesh Jajoo (HUF)                             | 5000                                    | 2.21                                           |
| 8.      | Sunil Kumar Kanodia                            | 2500                                    | 1.10                                           |
|         | <b>Total</b>                                   | <b>218525</b>                           | <b>96.46</b>                                   |

- c) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on one year prior to the date of the Draft Prospectus:

| Sr. No. | Names                                          | Shares Held (Face Value of Rs. 10 each) | % of shares held (% Pre Issue paid up Capital) |
|---------|------------------------------------------------|-----------------------------------------|------------------------------------------------|
| 1.      | Siddhika Business Applications Private Limited | 1450000                                 | 64.00                                          |
| 2.      | Charitra Maheshwari                            | 258150                                  | 11.39                                          |
| 3.      | Charitra Maheshwari HUF                        | 177000                                  | 7.81                                           |
| 4.      | Abhijeet Banerjee                              | 100000                                  | 4.41                                           |
| 5.      | Gaurav Agarwal                                 | 70100                                   | 3.09                                           |
| 6.      | Anurag Diwan                                   | 55000                                   | 2.43                                           |
| 7.      | Ramesh Jajoo (HUF)                             | 50000                                   | 2.21                                           |
| 8.      | Sunil Kumar Kanodia                            | 25000                                   | 1.10                                           |
|         | <b>Total</b>                                   | <b>2185250</b>                          | <b>96.46</b>                                   |

- d) Details of our major shareholders holding 1% or more of the paid-up capital of the company as on ten days prior to the date of the Draft Prospectus:

| Sr. No. | Name                                           | Shares Held (Face Value of Rs. 10 each) | % of shares held (% Pre Issue paid up Capital) |
|---------|------------------------------------------------|-----------------------------------------|------------------------------------------------|
| 1.      | Siddhika Business Applications Private Limited | 1450000                                 | 64.00                                          |
| 2.      | Charitra Maheshwari                            | 258150                                  | 11.39                                          |
| 3.      | Charitra Maheshwari HUF                        | 177000                                  | 7.81                                           |
| 4.      | Abhijeet Banerjee                              | 100000                                  | 4.41                                           |
| 5.      | Gaurav Agarwal                                 | 70100                                   | 3.09                                           |
| 6.      | Anurag Diwan                                   | 55000                                   | 2.43                                           |
| 7.      | Ramesh Jajoo (HUF)                             | 50000                                   | 2.21                                           |
| 8.      | Sunil Kumar Kanodia                            | 25000                                   | 1.10                                           |
|         | <b>Total</b>                                   | <b>2185250</b>                          | <b>96.46</b>                                   |

9. There will be not be any further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the date of listing of Equity Shares or refund of application monies in pursuance of the Draft Prospectus. However, our Company may alter its capital structure by way of split/consolidation of the denomination of Equity Shares or issue of equity shares on a preferential basis or issue of bonus or rights or further public issue of equity shares or qualified institutional placements, within a period of six months from the date of opening of the present issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose, as the Board of Directors may deem fit, if an opportunity of such nature is determined by the Board of Directors to be in the interest of our Company.

#### 10. Capital Build up in respect of shareholding of our Promoter:

The details of shareholding of our promoter are as under:

| Name of the Promoter                           | Nature of Issue     | Date of Allotment / Transfer | No. of Shares    | Face Value (Rs.) | Issue Price / Consideration (Rs.) | Date when the shares were made fully paid-up | %age of total pre-issue capital | %age of total post-issue capital | Whether such shares are subject to any pledge (Yes/No) |
|------------------------------------------------|---------------------|------------------------------|------------------|------------------|-----------------------------------|----------------------------------------------|---------------------------------|----------------------------------|--------------------------------------------------------|
| Siddhika Business Applications Private Limited | Allotment of Shares | 20.01.2011                   | 145000           | 10               | 10                                | 20.01.2011                                   | 6.4                             | 4.69                             | No                                                     |
| Siddhika Business Applications Private Limited | Bonus issue         | 16.10.2019                   | 1305000          | 10               | NA                                | NA                                           | 57.60                           | 42.24                            | No                                                     |
| <b>Total</b>                                   |                     |                              | <b>14,50,000</b> |                  |                                   |                                              |                                 |                                  |                                                        |

11. As on the date of the Draft Prospectus, our Company has 36 (Thirty-Six) Shareholders.

12. As on the date of the Draft Prospectus, our Promoter and Promoter Group hold a total of 1895150 Equity Shares representing 83.65% of the pre-issue paid up share capital of our Company. The details are as under:

| Sr. no. | Names                                          | Pre IPO          |              | Post IPO         |              |
|---------|------------------------------------------------|------------------|--------------|------------------|--------------|
|         |                                                | Shares Held      | %            | Shares Held      | %            |
|         | <b>Promoter</b>                                |                  |              |                  |              |
| 1       | Siddhika Business Applications Private Limited | 14,50,000        | 64           | 14,50,000        | 46.93        |
|         | <b>Sub Total (A)</b>                           | <b>14,50,000</b> | <b>64</b>    | <b>14,50,000</b> | <b>46.93</b> |
|         | <b>Promoter Group</b>                          |                  |              |                  |              |
| 2       | Charitra Maheshwari                            | 258150           | 11.39        | 258150           | 8.35         |
| 3       | Charitra Maheshwari HUF                        | 177000           | 7.81         | 177000           | 5.73         |
| 4       | Rashi Maheshwari                               | 10000            | 0.44         | 10000            | 0.32         |
|         | <b>Sub Total (B)</b>                           | <b>4,45,150</b>  | <b>19.65</b> | <b>4,45,150</b>  | <b>14.41</b> |
|         | <b>Grand Total (A+B)</b>                       | <b>18,95,150</b> | <b>83.65</b> | <b>18,95,150</b> | <b>61.34</b> |

13. Our Promoter and members of Promoter Group, any of the Directors of our Promoter, any of the Directors of our Company and their relatives have not purchased or sold the Equity Shares of our Company during the past six months immediately preceding the date of filing the Draft Prospectus;

14. There have been no financing arrangements whereby members of our Promoter Group, any of the Directors of our Promoter, the Directors of our Company or their relatives have financed the purchase

by any other person of the equity shares of our Company (other than in the normal course of the business of the relevant financing entity) in the last six months immediately preceding the date of the Draft Prospectus.

### 15. Details of Promoter's Contribution locked in for three years:

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

As on the date of this Draft Prospectus, our Promoter hold 14,50,000 Equity Shares constituting 46.93% of the Post – Issued, subscribed and paid up Equity Share Capital of our Company, which are eligible for the Promoter's contribution.

Our Promoter have given written consent to include 6,20,000 Equity Shares subscribed and held by them as a part of Minimum Promoter's Contribution constituting 20.07% of the post issue Paid-up Equity Shares Capital of our Company ("Minimum Promoter's Contribution") in terms of Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018 and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Minimum Promoter's Contribution, and to be marked Minimum Promoter's Contribution as locked in.

The details of Minimum Promoter's Contribution are as follows.

| Name of the Promoter                   | Date of Allotment | Date when the shares were made fully paid-up | Nature of Allotment        | Nature of Issue | No. of Locked in Equity Shares* | Face Value (Rs.) | Issue Price (Rs.) | % of promoter's contribution to total issued capital |       | Lock in period |
|----------------------------------------|-------------------|----------------------------------------------|----------------------------|-----------------|---------------------------------|------------------|-------------------|------------------------------------------------------|-------|----------------|
|                                        |                   |                                              |                            |                 |                                 |                  |                   | Pre                                                  | Post  |                |
| SIDDHIKA BUSINESS APPLICATIONS PVT LTD | 20.01.2011        | 20.01.2011                                   | Further issue of allotment | Equity Shares   | 145000                          | 10               | 10                | 6.4                                                  | 4.69  | 3 years        |
|                                        | 16.10.2019        | NA                                           | Bonus issue                | Equity shares   | 475000                          | 10               | NA                | 57.60                                                | 42.24 | 3 years        |
|                                        |                   |                                              |                            |                 | 830000                          |                  |                   |                                                      |       | 1 years        |
| <b>Total</b>                           |                   |                                              |                            |                 | <b>1450000</b>                  | <b>10</b>        |                   |                                                      |       |                |

\*Assuming full subscription to the Issue

The minimum Promoter's contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as "Promoter" under the SEBI (ICDR) Regulations. All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoter's Contribution as per Regulation 237 of the SEBI (ICDR) Regulations and are being locked in for 3 years as per Regulation 238(a) of the SEBI (ICDR) Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

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

The entire pre-issue shareholding of the Promoter, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

16. Please refer to note i to ix above for the details of all individual allotments made by the Company since the date of its incorporation.

17. Details of compliances with applicable provisions in relation of minimum Promoter's contribution and lock-in requirements:

a) Compliance with Minimum Promoter's Contribution Requirements:

The Minimum Promoter's Contribution i.e. 6,20,000 Equity Shares or 20.07% of proposed post-issue paid up capital of the Company has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's Contribution in terms of Regulation 237 of the SEBI ICDR Regulations as detailed hereinafter:

- i. The equity shares offered for minimum 20 % Promoter's Contribution have neither been acquired in the three years preceding the date of the Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor have the same resulted from a bonus issue by utilization of revaluation reserves or unrealized profits of the Company or against equity shares which are otherwise ineligible for computation of Promoter's contribution; and
- ii. The minimum Promoter's contribution does not include equity shares acquired during the period of one year immediately preceding the date of this Draft Prospectus at a price lower than the issue price of this offer;
- iii. No equity shares have been issued to our promoter upon conversion of one or more partnership firms or limited liability partnerships during the preceding one year at a price less than the Offer price; and
- iv. The Equity Shares held by the Promoter and offered for minimum Promoter's contribution are not subject to any pledge;

b) Compliance with Lock-in Requirements:

The entire pre-issue paid-up capital of the Company shall remain locked in as per requirements of Regulations 238 & 239 of the SEBI ICDR Regulations as detailed hereinafter:

- i. As required by clause (a) of Regulation 238, Minimum Promoter's Contribution i.e. 6,20,000 equity shares held by our promoter Siddhika Business Application Private Limited which shall collectively 20.07% of proposed post-issue paid up capital shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

- ii. The expression "date of commencement of commercial production" has been defined to mean the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilized as stated in the offer document, is expected to commence, as per SEBI ICDR Regulations.
- iii. As required by clause (b) of Regulation 238, the excess of minimum Promoter's contribution i.e. 8,30,000 equity shares held by our Promoter shall be locked-in for a period of one year from the date of allotment in present initial public offer; and
- c) As required by Regulation 239, the entire pre-issue capital held by persons other than the promoter as per details provided hereinafter, shall be locked-in for a period of one year from the date of allotment in the present initial public offer

| S. No. | Names of Person               | Number of Shares Allotted |
|--------|-------------------------------|---------------------------|
| 1.     | Mr. Charitra Maheshwari       | 258150                    |
| 2.     | M/s Charitra Maheshwari (HUF) | 177000                    |
| 3.     | Mr. Aditya Pratap Singh       | 2500                      |
| 4.     | Mr. Syed Atif Hasan           | 2750                      |
| 5.     | Mr. Gaurav Aggarwal           | 70100                     |
| 6.     | Mr. Dinesh Kumar              | 2500                      |
| 7.     | M/s Ramesh Jajoo (HUF)        | 50000                     |
| 8.     | Smt. Rashi Maheshwari         | 10000                     |
| 9.     | Mr. Dalvir Singh              | 1250                      |
| 10.    | Mr. Gagan Gupta               | 7500                      |
| 11.    | Mr. Sunil Kumar Kanodia       | 25000                     |
| 12.    | Mr. Nafees Qadri              | 11500                     |
| 13.    | Mr. Hafizur Rehman            | 18750                     |
| 14.    | Mr. Anurag Diwan              | 55000                     |
| 15.    | Mr. Surender Kumar            | 1000                      |
| 16.    | Mr. Abhijeet Banerjee         | 100000                    |
| 17.    | Mr. Aseem Dhawan              | 1000                      |
| 18.    | Mr. Gaurav Gupta              | 1000                      |
| 19.    | Mr. Manoj Kumar               | 1000                      |
| 20.    | Mr. Mohd. Hamid Shuaib Burney | 1000                      |
| 21.    | Mr. Mohd Wasim                | 1000                      |
| 22.    | Mr. Mohd Rizwan               | 1000                      |
| 23.    | Mr. Manoj Singh               | 500                       |
| 24.    | Mr. Mukesh Pandey             | 1000                      |
| 25.    | Mr. Ravendra Kumar            | 1000                      |
| 26.    | Mr. Sanjay Das                | 1000                      |
| 27.    | Mr. Santosh Kumar             | 1000                      |
| 28.    | Mr. Santosh Kumar Yadav       | 1000                      |
| 29.    | Mr. Siraj Ahmad               | 1000                      |
| 30.    | Mr. Sonu Kumar                | 1000                      |
| 31.    | Mr. Subhash Chander           | 500                       |

| S. No. | Names of Person            | Number of Shares Allotted |
|--------|----------------------------|---------------------------|
| 32.    | Ms. Vandana                | 1000                      |
| 33.    | Mr. Gaurav Maheshwari      | 1000                      |
| 34.    | Mr. Manvendra Pratap Singh | 5500                      |
| 35.    | Ms. Susmita Karmakar       | 1000                      |
|        | <b>TOTAL</b>               | <b>8,15,500</b>           |

18. Our Company, our Directors and the Lead Manager have not entered into any buy back arrangements for the purchase of Equity Shares being offered through the Draft Prospectus from any person.
19. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire offer price in respect of the Offer is payable on application, all the successful applicants will be issued fully paid-up equity shares only.
20. Neither the Lead Manager, nor their associates hold any Equity Shares of our Company as on the date of this Draft Prospectus.
21. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI Share Based Employee Benefits Regulations, 2014.
22. Prior to this Initial Public Offer, our Company has not made any public issue or right issue to public at large.

## SECTION V – PARTICULARS OF THE ISSUE

### OBJECTS OF THE ISSUE

Our Company proposes to utilize the proceeds from the issue towards funding the following objects and achieve the benefits of listing on NSE EMERGE platform of National Stock Exchange of India Limited.

**We intend to utilize the proceeds of the Issue to meet the following objects:**

1. To part finance the Working Capital Requirements;
2. General Corporate Purposes; and
3. To meet Issue Expenses.

The main objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through the Issue for which working capital requirements from the Net Proceeds were utilized.

### **Utilization of Proceeds of IPO**

The details of utilization of Proceeds are as per the table set forth below:

| S. No. | Particulars                          | Amount (Rs. In Lakhs)* |
|--------|--------------------------------------|------------------------|
| 1      | Working Capital Requirements         | [●]                    |
| 2      | General Corporate Purposes           | [●]                    |
| 3      | Issue Expenses                       | [●]                    |
|        | <b>Total Proceeds from the Issue</b> | [●]                    |

*\*Subject to finalization of basis of allotment*

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

### **Means of Finance**

| Particulars                        | Amount<br>(Rs. In Lakhs)* |
|------------------------------------|---------------------------|
| Proceeds from the Issue            | [●]                       |
| Less: Issue Expenses               | [●]                       |
| <b>Net Proceeds from the Issue</b> | [●]                       |

*\*Subject to finalization of basis of allotment*

Since, the entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. These are based on current conditions of the business and industry and are subject to change in light of changes in external circumstances or costs, other financial conditions, business or strategy, as discussed further below. Any change in such factors may require the Company to reschedule/ revise the planned expenditure by increasing/ decreasing the allocation for a particular purpose from the planned expenditure.

Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time, and consequently, our funding requirement and deployment of funds may also change. In accordance with the policies of our Board, our management will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

## DETAILS OF THE OBJECTS OF THE ISSUE:

### Net Proceeds of IPO

#### a) Working Capital Requirements:

We fund our working capital requirements in the ordinary course of our business through working capital facilities/ loans from banks and various financial institutions, overdraft against fixed deposit receipts and from our internal accruals.

The details of our Company's working capital requirement for Fiscal 2018-19 (audited), Fiscal 2019-20 (based on utilization) and Fiscal 2020-21 (estimated) and Fiscal 2021-22 (projected) are as follows:

(Rs. in Lakhs)

| Particulars of Assets               | 2018-19        | 2019-20        | 2020-21   | 2021-22   |
|-------------------------------------|----------------|----------------|-----------|-----------|
|                                     | Restated       | Restated       | Estimated | Projected |
| <b>Current Assets</b>               |                |                |           |           |
| Inventory                           | 289.83         | 265.27         | [•]       | [•]       |
| Trade Receivables                   | 558.96         | 546.25         | [•]       | [•]       |
| Cash and Cash Equivalent            | 336.46         | 411.17         | [•]       | [•]       |
| Other Current Assets                | 542.83         | 555.21         | [•]       | [•]       |
| <b>Total (A)</b>                    | <b>1728.09</b> | <b>1777.89</b> | [•]       | [•]       |
| <b>Current Liabilities</b>          |                |                |           |           |
| Trade Payables                      | 39.48          | 12.97          | [•]       | [•]       |
| Other Current Liabilities           | 376.40         | 417.22         | [•]       | [•]       |
| Short Term Provisions               | 137.83         | 119.66         | [•]       | [•]       |
| <b>Total (B)</b>                    | <b>553.71</b>  | <b>549.85</b>  | [•]       | [•]       |
| <b>Net Working Capital (A)-(B)</b>  | <b>1174.38</b> | <b>1228.05</b> | [•]       | [•]       |
| <u>Sources of Working Capital:</u>  |                |                |           |           |
| Fund Based Borrowings               | -              | -              | [•]       | [•]       |
| IPO Proceeds                        | -              | -              | [•]       | [•]       |
| Internal Accruals/ Other Borrowings | 1174.38        | 1228.05        | [•]       | [•]       |

## BASIS OF ESTIMATION

The incremental working capital requirements are based on historical Company data and estimation of the future requirements based on the orders executed in Financial Year 2019-20 and to be executed in the Financial Year 2020-21 and Financial Year 2021-22 considering the growth in activities of our Company.

Assumption for future working capital requirements:

(No. of Days)

| Particulars                | Holding level as on March 31, 2019 (Restated) | Holding level as on March 31, 2020 (Restated) | Holding level as on March 31, 2021 (Estimated) | Holding level as on March 31, 2022 (Projected) |
|----------------------------|-----------------------------------------------|-----------------------------------------------|------------------------------------------------|------------------------------------------------|
| <b>Current Assets</b>      |                                               |                                               |                                                |                                                |
| Inventories                | 33.12                                         | 32.14                                         | [●]                                            | [●]                                            |
| Trade Receivables          | 63.87                                         | 66.18                                         | [●]                                            | [●]                                            |
| <b>Current Liabilities</b> |                                               |                                               |                                                |                                                |
| Trade Payables             | 12.38                                         | 5.35                                          | [●]                                            | [●]                                            |

### Justification for “Holding Period” levels:

The justifications for the holding levels mentioned in the table above are provided below:

| Assets- Current Assets      |                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Inventories</b>          | Holding level of inventories was 33.12 days in Financial Year 2018-19 and 32.14 days during the Financial Year 2019-20. On the basis of estimation and projection, the holding period is assumed to be [●] and [●] days in Financial Years 2020-21 and 2021-22 respectively, taking into consideration the [●]                                                                      |
| <b>Trade Receivables</b>    | Receivables realization period was 63.87 days in Financial Year 2018-19 and increased to 66.18 days in Financial Year 2019-20. Taking into consideration the time period for processing the bills by our [●] customers particularly in relation to big orders, the realization period for debtors has been expected to [●] to [●] days for the Financial Years 2020-21 and 2021-22. |
| Assets- Current Liabilities |                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Trade Payables</b>       | The credit period in Financial Year 2018-19 was 12.38 days and 5.35 days during Financial Year 2019-20. It is estimated to [●] to [●] days for Financial Year 2020-21 and to [●] days for Financial Year 2021-22 based on the financial estimation and projections prepared by the management. This is because the [●]                                                              |

The Board at its meeting held on [●], 2021, approved the plan of utilization of Issue Proceeds as stated hereinabove. This amount is based on our management’s current estimates of the amounts to be utilized towards the respective objects. However, the actual deployment of funds will depend on a number of factors affecting our results of operation, financial condition and access to capital. Further, in the event that there is a surplus under any head, such amount shall be utilized towards general corporate purpose.

### b) General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating to Rs. [●] Lakhs for General Corporate Purposes as decided by our board, we have flexibility in applying the remaining proceeds after meeting issue expenses for general corporate purpose including but not restricted to, meeting operating expenses, 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 purpose as approved by our board of directors, subject to compliance with the necessary provisions of the Companies Act.

### **Issue Expenses**

The total expenses of the Issue are estimated to be approximately Rs. [●] lakhs. The estimated Issue expenses are as follows:

| Activity Expense                                                                                                                                                                                                              | Amount <sup>(1)</sup><br>(Rs. in Lakhs) | Percentage<br>of Total<br>Estimated<br>Issue<br>Expenses <sup>(1)</sup> | Percentage<br>of<br>Issue<br>Size <sup>(1)</sup> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------------------|--------------------------------------------------|
| Underwriting commission, brokerage and selling commission (including Commission/ processing fees for SCSBs, Sponsor Bank, Members of the Syndicate, Registered Brokers, RTAs and CDPs <sup>(2)</sup> , etc)                   | [●]                                     | [●]                                                                     | [●]                                              |
| Issue relating expenses such as fees to Lead manager Fixed Fee, Registrar to the Issue Legal Advisors, Auditors, Consultants, Paper Advertisements and other expenses incurred/ to be incurred including promotional expenses | [●]                                     | [●]                                                                     | [●]                                              |
| Listing fees, Stock Exchange processing/ listing fees, software fees, Depositories' fees and other regulatory expenses                                                                                                        | [●]                                     | [●]                                                                     | [●]                                              |
| <b>Total estimated Issue expenses</b>                                                                                                                                                                                         | [●]                                     | [●]                                                                     | [●]                                              |

*As on the date of Draft Prospectus our Company has incurred Rs. 15 Lakhs towards Issue expenses out of internal accruals duly verified by M/s. V C A N & Co., Chartered Accountants vide their Certificate dated February 08, 2021.*

<sup>(1)</sup> Issue expenses excluding applicable taxes, where applicable. Issue expenses are estimates and are subject to change.

<sup>(2)</sup> Includes commission/Processing fees of Rs. [●] per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds Rs. [●] lakh, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed Rs. [●] lakh.

### **Schedule of Implementation & Deployment of Funds**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Issue Proceeds is as under:

| S. No. | Particulars                          | Amount to be deployed and utilized in FY 2020-2021 | Amount to be deployed and utilized in FY 2021-2022 |
|--------|--------------------------------------|----------------------------------------------------|----------------------------------------------------|
| 1      | Working Capital Requirements         | [●]                                                | [●]                                                |
| 2      | General Corporate Purposes           | [●]                                                | [●]                                                |
| 3      | Issue Expenses                       | [●]                                                | [●]                                                |
|        | <b>Total Proceeds from the Issue</b> | [●]                                                | [●]                                                |

## 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 Issue are currently based on available quotations and 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 but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our Business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

## Bridge Financing Facilities

Company has not raised any bridge loans from any bank or financial institution as on the date of this draft Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

## Interim Use of Funds

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

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds to buy, trade or otherwise deal in equity shares of any other listed company.

## Other confirmations

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

## Variation in objects

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the

Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the “Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English, and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoter or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

### **Basic terms of the issue**

The Equity shares being offered are subject to the provision of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this offer document and other terms and conditions as may be incorporated in the Allotment advice and other documents/ certificates that may be executed in respect of the issue. The Equity shares shall also be subjected to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, RBI, ROC and /or other authorities as in force on the date of issue and to the extent applicable.

## BASIS OF THE ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information" beginning on page 29, 109, and 156 respectively of this Draft Prospectus.

The trading price of the Equity Shares of Our Company could decline due to these risks and the investor may lose all or part of his investment.

The Issue Price will be determined by our Company in consultation with the LM on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10.00 each and the Issue Price is Rs. [●], which is [●] times of the face value.

### Qualitative Factors

We believe that our business strengths listed below enable us to remain competitive in the business:

- Experienced Promoter and Management Expertise
- Unique Brand Positioning
- Result Oriented
- Geographical Presence
- Quality assurance

For detail on qualitative factors pertaining to the pricing of this issue, please refer to “Our Business” on page 109 of this Draft Prospectus.

### Quantitative factors

1. Diluted Earnings Per Share (EPS), for last three years (as Adjusted for change in capital) \*

#### On the basis of Consolidated Financial Statements:

| Financial Year                                           | EPS*   | Weights      |
|----------------------------------------------------------|--------|--------------|
| 2019-20                                                  | 25.40  | 3            |
| 2018-19                                                  | 154.99 | 2            |
| 2017-18                                                  | 113.19 | 1            |
| <b>Weighted Average EPS</b>                              |        | <b>83.23</b> |
| <b>Period ending September 30, 2020 (Not Annualised)</b> |        | <b>0.88</b>  |

\*Source: Restated Financial Statements

#### Notes:

- *Weighted average number of Equity Shares are the number of Equity Shares outstanding at the beginning of the period/ year adjusted by the number of Equity Shares issued during the period/ year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/*

year. The figures disclosed above are based on the Restated Summary Financial Information of our Company.

- As per the Standard, in the case of bonus issues, the number of Equity shares outstanding before the event is adjusted for the proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported. Accordingly the EPS is calculated by adjusting the number of shares proportionately taking issue of Bonus shares into consideration at the beginning of the earlier reporting periods.
- The face value of each Equity Share is ₹ 10.
- Basic EPS and Diluted EPS calculations are in accordance with Accounting Standard 20 (AS-20) 'Earnings per Share', notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
- Basic Earnings per share = Net profit/ (loss) after tax, as restated attributable to equity shareholders /Weighted average number of shares outstanding during the year/ period.
- Diluted Earnings per share = Net profit after tax, as restated / Weighted average number of diluted equity shares outstanding during the year/ period.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e.  $[(EPS \times Weight) \text{ for each fiscal}] / [Total \text{ of weights}]$ .
- For further details, please refer to Annexure- P– “Statement of Mandatory Accounting Ratios” under chapter titled “Financial Statements” beginning on page 156 of this Draft Prospectus.

## 2. Price/Earning (P/E) ratio in relation to issue Price of Rs. [●]/-

On the basis of Consolidated financial statements

| Particulars                                                                       | PE Ratio on Issue price |
|-----------------------------------------------------------------------------------|-------------------------|
| P/E ratio based on Diluted EPS for Annualized Half Year ended September 30, 2020* | [●]                     |
| P/E ratio based on Weighted Average Basic EPS**                                   | [●]                     |

\* Half year diluted EPS based on year end subscribed capital is 0.88.

\* Half year diluted EPS has been annualized by multiplying with two in order to provide correct picture for P/E on full year basis

## 3. Average Return on Net Worth in the last three years

On the basis of Consolidated financial statements:

| Financial Years                                             | Return on Net Worth (RONW) (%) | Weights |
|-------------------------------------------------------------|--------------------------------|---------|
| 2019-20                                                     | 17.42                          | 3.00    |
| 2018-19                                                     | 24.09                          | 2.00    |
| 2017-18                                                     | 22.35                          | 1.00    |
| Weighted Average RONW                                       |                                | 20.47%  |
| For the Half Year ended September 30, 2020 (not annualized) |                                | 1.16%   |

**Note:** The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year. Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

#### 4. Net Asset value (NAV) per Equity Share

Based Consolidated Financial Statements

| Particulars                                               | In Rs. |
|-----------------------------------------------------------|--------|
| Net Asset Value per Equity Share as of September 30, 2020 | 75.86  |
| Net Asset Value per Equity Share as of March 31, 2020*    | 74.98  |
| Issue Price per Equity Share                              | [●]    |
| Net Asset Value per Equity Share after the Issue          | [●]    |

\*Adjusted for bonus issue in FY2020

**Note:**

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.
- Net worth has been computed as the aggregate of share capital and reserves and surplus (excluding revaluation reserves, if any) of our Company.

#### 5. Comparison of Accounting ratios with Peer Group Companies:

As on the date of this draft Prospectus, there are no comparable peer which is listed companies in India and which are engaged in the same line of business as our Company, hence comparison with industry peers are not applicable.

*The Issue Price of Rs. [●] will be determined by our Company in consultation with the LM on the basis of the above information. Investors should read the abovementioned information along with "Our Business", "Risk Factors" and "Financial Statements" on pages 109, 29 and 156 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in "Risk Factors" or any other factors that may arise in the future and you may lose all or part of your investments.*

**STATEMENTS OF TAX BENEFITS**

To,  
The Board of Directors  
**Siddhika Coatings Limited**  
L-9, Lower Ground Floor, Kalkaji,  
New Delhi, South Delhi-110019, India

Date: 21<sup>st</sup> January 2021

Dear Sir(s):

Sub: Proposed initial public offering of equity shares of Rs. 10/- each ("the Issue") of Siddhika Coatings Limited ("the Company")

We report that the enclosed statement in Annexure A, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the stated tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Public issue. Neither are we suggesting nor advising the investor to invest money based on this statement.

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

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

We also consent to the references to us as "Experts" under section 26 of the Companies Act to the extent of the certification provided hereunder and included in the Draft Prospectus and Prospectus of the Company or in any other documents in connection with the Public issue.

We hereby give consent to include this statement of tax benefits in the Draft Prospectus and Prospectus and in any other material used in connection with the Public issue.

Yours sincerely,  
For V C A N & CO.  
Chartered Accountants  
ICAI Firm Registration No.: 125172W  
Sd/-  
CA Abhishek Jain  
Partner  
Membership No: 0535564  
UDIN: 21535564AAAAAR1815

Place: New Delhi

**Annexure – A**

**ANNEXURE TO THE STATEMENT OF TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholders under the Income Tax Act 1961 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

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

**A.SPECIAL TAX BENEFITS TO THE COMPANY**

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

**B.SPECIAL TAX BENEFITS TO THE SHAREHOLDER**

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

Note:

1.All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

2.The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein.

Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION VI – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. 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 and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 29 and 156 of this Draft Prospectus.

We are the strategic channel partner of an international paint and coatings brand, focused on the brand’s product supply, marketing and application services in India. Our business broadly falls under the scope of the Paint industry and more minutely, paint application services segment.

#### Introduction

The Indian paint industry has been involved in the manufacture of paints and coatings for over a decade. The industry has seen a gradual shift of customer preferences from the traditional white wash to higher quality paints like emulsions and enamel paints. Factors like, growing popularity of new variants providing improved finishing and textures, increasing per capita income of people and manufacture of a wide variety of paints such as eco-friendly, odor free, dust and water resistant paints, have propelled the growth of the paint market in India.

The Indian paint market which was around INR 40,300 crores in 2014-15 is expected to reach INR 70, 875 crores by 2019-2020.

- The decorative paint market is expected to witness CAGR of 12.7%
- The industrial paint market is expected to witness CAGR of 9.5%

The split of the decorative paint market to industrial market is around 75-25 (Decorative Paint market size in India was INR 30,385 crores and the Industrial Paint was INR 9,915 crores in FY 2014-15)

The industry has grown at a CAGR of 12.9% from 2011-12 to 2014-15 in terms of value

For FY 2014-15, per capita consumption of paint in India was estimated at 3.34 Kg

High growth is witnessed for:

- Exterior and Interior emulsions in the decorative paints category
- Auto refinish and Powder coatings in the industrial paints category

(Source: <https://www.businesswireindia.com/indian-paints-industry-to-grow-to-inr-70-875-cr-by-2019-2020-51710.html> , extracted from the report “Size & Future of coating industry” compiled by Nielsen Corporation for Indian Paint Association (IPA))

## India – Macro growth

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

### Market size

India's GDP (at constant 2011-12 prices) was estimated at Rs 26.9 trillion (US\$ 363.49 billion) for the first quarter of FY2020-21, against Rs 35.35 trillion (US\$ 477.67 billion) in the first quarter of FY2019-20, showing a contraction of 23.9%, compared with 5.2% growth in the first quarter of FY2019-20.

India is the fourth-largest unicorn base in the world with over 21 unicorns collectively valued at US\$ 73.2 billion, as per the Hurun Global Unicorn List. By 2025, India is expected to have ~100 unicorns by 2025 and will create ~1.1 million direct jobs according to the Nasscom-Zinnov report 'Indian Tech Start-up'.

India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030's, for productivity and economic growth according to McKinsey Global Institute. Net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.

India's foreign exchange reserve was Rs 39 .64 trillion (US\$ 542.01 billion) in the week up to September 4, 2020 according to data from the RBI.

### Recent Developments

With an improvement in the economic scenario, there have been investments across various sectors of the economy. The mergers and acquisition (M&A) activity in India stood at US\$ 35.1 billion in the first half of 2020, while private equity (PE) deals stood at US\$ 13 billion. Some of the important recent developments in Indian economy are as follows:

- India's overall exports from April 2020 to August 2020 are estimated to be US\$ 182.13 billion, (a 19.32% decrease compared with the same period last year). Overall imports from April 2020 to August 2020 are estimated to be US\$ 167.94 billion, (a 38% decrease compared with the same period last year).
- According to IHS Markit, Purchasing Managers' Index (PMI) for manufacturing stood at 46 in July 2020 against 47.2 in June 2020, showing contraction in the sector because of coronavirus-related restrictions.
- Gross tax revenue stood at Rs 3.80 trillion (US\$ 51.35 billion) in the first quarter (from April 2020 to July 2020) of 2020-21.
- The first quarter of FY 2021 witnessed four initial public offerings (IPO) worth US\$ 2.08 million.
- India's Foreign Direct Investment (FDI) equity inflow reached US\$ 469.99 billion between April 2000 to March 2020, with maximum contribution from services, computer software and hardware, telecommunications, construction, trading, and automobiles.
- India's Index of Industrial Production (IIP) for 2019-20 stood at 129.2.
- The combined index of eight core industries stood at 137 in March 2020. Its cumulative growth was 0.6% in 2019-20.

- Consumer Price Index (CPI) - Combined inflation was 5.9% in March 2020 as compared to 6.6% in February 2020. The annual consumer price inflation increased to 4.8% in 2019-20 from 3.4% in 2018-19.
- India improved its ranking in World Bank's Doing Business Report by 14 spots over last year and was ranked 63 among 190 countries in the 2020 edition of the report.
- India is expected to have 100,000 start-ups by 2025, which will create employment for 3.25 million people and generate US\$ 500 billion in value as per Mr. T V Mohan Das Pai, Chairman, Manipal Global Education.

## Government Initiatives

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

Total expenditure for 2020-21 is budgeted at Rs 37.14 trillion (US\$ 531.53 billion), an increase of 13% from 2019-20 (revised budget estimates).

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

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

- The Prime Minister of India, Mr Narendra Modi announced various economic packages, having a cumulative worth of around Rs 20 trillion (US\$ 283.73 billion) and being almost 10% of India's GDP.
- On July 6, 2020, World Bank and Government of India signed a US\$ 750 million agreement for 'Emergency Response Programme' for micro, small and mid-sized enterprises.
- As of August 17, 2020, 12.2 million Kisan credit cards were sanctioned with credit limit of Rs 1,020.7 billion (US\$ 13.98 billion) under the special saturation drive to revive rural economy and accelerate agricultural growth.
- In September 2020, ADB & India signed US\$ 500 million loan for the 'Delhi-Meerut Regional Rapid Transit System (RRTS) Corridor' to improve regional connectivity and mobility in India's national capital region (NCR).
- In September 2020, Government of India, Government of Himachal Pradesh and World Bank signed a US\$ 82 million loan to implement the Himachal Pradesh State Roads Transformation Project, to improve the condition, safety, resilience, and engineering standards of state road network.

- Pradhan Mantri Garib Kalyan Package (PMGK) was introduced in April 2020 to provide relief to underprivileged and help them fight the battle against COVID-19. The budget allocated to the scheme was Rs 1.70 trillion (US\$ 24.12 billion).
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.
- For implementation of Agriculture Export Policy, Government approved an outlay Rs 2.068 billion (US\$ 29.59 million) for 2019, aimed at doubling farmers income by 2022.
- On September 12, 2020, Prime Minister Mr Narendra Modi addressed the ‘Grih Pravesham’ programme and inaugurated 0.2 million houses built under the ‘Pradhan Mantri Awaas Yojana-Gramin’ at Madhya Pradesh.
- In the mid-term review of Foreign Trade Policy (FTP) 2015-20, the Ministry of Commerce and Industry enhanced the scope of Merchandise Exports from India Scheme (MEIS) and Service Exports from India Scheme (SEIS), increased MEIS incentive for ready-made garments and made-ups by 2%, SEIS incentive by 2% and increased the validity of Duty Credit Scrips from 18 months to 24 months. In April 2020, Government extended FTP for one more year (up to March 31, 2021).

## Road Ahead

India's GDP is expected to reach US\$ 5 trillion by FY25 and achieve upper-middle income status on the back of digitization, globalization, favorable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030, which is currently 30%, and have plans to increase its renewable energy capacity from to 175 gigawatt (GW) by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behavior and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by 2040 as per a report by PricewaterhouseCoopers.

Note: Conversion rate used for September 2020 is Rs 1 = US\$ 0.01370

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

## Indian Paint Industry- An overview

The Paints & Allied Industry which has been exempted from compulsory licensing, mainly consists of paints, enamels, varnishes, pigments, printing inks, etc. These play a vital role in the economy by way of protecting national assets from corrosion. These items are manufactured both in the organized sector and small scale sector. The production of Paints (all types), Printing Ink and Varnish (all types) (2018-19) was 809200.27 tonnes, 196923.18 tonnes and 35833.52 tonnes respectively. During the financial year 2019-20, the production of these products has been 500779.57 tonnes, 134512.19 tonnes and 20541.50 tonnes respectively.

The export and import of Paints & Allied Products in the year 2018-19 and for the financial year (2019-20 (April-November)) is as follows:

(Value in ₹Lacs)

| HS Code      | Export            |                             | Import            |                             |
|--------------|-------------------|-----------------------------|-------------------|-----------------------------|
|              | 2018-19           | 2019-20<br>(April-November) | 2018-19           | 2019-20<br>(April-November) |
| 3208         | 42,110.63         | 27,080.89                   | 154,425.85        | 104,852.38                  |
| 3209         | 15,377.19         | 9,041.98                    | 38,177.85         | 20,831.57                   |
| 3210         | 4,801.01          | 1,535.92                    | 13,021.11         | 7,194.47                    |
| 3215         | 118,913.51        | 80,493.04                   | 184,168.29        | 83,225.60                   |
| <b>Total</b> | <b>181,202.34</b> | <b>118,151.83</b>           | <b>389,793.10</b> | <b>216,104.02</b>           |

Source:

Export & Import data- Department of Commerce website

Production data- Industrial Statistical Unit, DPIIT

(Source: <https://dipp.gov.in/> DIPP Annual Report 2019-2020)

The market size of the Indian paints sector has been pegged at Rs 134 bn in value terms and is very fragmented. While in value terms, the industry grew by 18% in 2008, in volume terms, the growth stood at 15% per annum. The current demand is estimated to be around 650,000 tonnes per annum and is seasonal in nature. The per capita consumption of paints in India stands at 0.7 kg per annum as compared to 1.6 kgs in China and 22 kgs in the developed economies. India's share in the world paint market is just 0.6%. The Indian decorative business has a share of approximately 77% in total sales. In foreign countries 50-70% of the business is from the industrial segment. The unorganised sector controls around 35% of the paint market, with the organised sector accounting for the balance. In the unorganised segment, there are about 2,000 units having small and medium sized paints manufacturing plants. Top organised players include Asian Paints (30% market share), Kansai Nerolac (20% market share), Berger Paints (19% market share) and ICI (12% market share).

Distribution channel plays an important role in the industry. Awareness and perception of specific brand is more important than the corporate brand equity. Asian Paints, the market leader has around 16,000 dealers in its network, which are spread across the country. Goodlass Nerolac comes second with around 9,000 dealers. Paints Industry is raw material based industry. Raw materials which constitute 60 percent of the total cost for the paint industry is an important factor for maintaining operating margins. Around 600 raw materials are required by the paint industry and all the raw materials are directly related to crude oil prices. But the most important raw material is titanium dioxide, which accounts for 25-30 percent of the costs. Other important raw materials being used in the industry comprise castor, linseed and soyabean oils and turpentine.

India's robust economic growth has had a direct impact on the infrastructure sector that has grown at around 10% in the last five years. While roads, sea-ports and airstrips are garnering major investments through public-private partnerships, the housing and commercial real estate sector has witnessed a 35% growth year-on-year and is pegged at \$15 billion. The sector is also seeing record inflows with global players having pumped in an estimated \$10 billion over the last few years. This has given a big impetus to several downstream businesses such as cement, steel, construction equipment and paints.

The demand for paints in India stands at 1.22 million tons, according to Information Research (IRL) that provides a range of market research and analysis services to the global paints and coatings industries. This could grow to two million tons by the start of the next decade. Indices Analytics, a research firm, estimates that by 2015, there will be a demand for over 24.3 million new dwellings in urban India alone. This would translate into further growth of the industry.

Rural market also holds big promise for paint companies. Taking a cue from FMCG companies, paint manufacturers could work on products targeted specifically for the rural markets.

The share of industrial paints in the total paint consumption of the nation is very low compared to global standards. It accounts for 30 percent of the paint market with 70 percent of paints sold in India for decorative purposes. In most developed countries, the ratio of decorative paints vis-A-vis industrial paints is around 50:50. But, with the decorative segment bottoming out, companies are increasingly focussing on industrial paints. The future for industrial paints is bright. In the next few years, its share would go up to 50 percent, in line with the global trend.

"Demand for architectural (decorative) paint in India is projected to increase 8.7% per year through 2011 to one million metric tons, among the strongest performances expected of any country in the world," says the Freedonia Group. Export opportunities also beckon entrepreneurs as globally the demand for paints is also expected to rise, although slower than that in India. According to estimates by the Freedonia Group, global demand for architectural paints is estimated to rise 3.9% per year through 2011 to 21.5 million metric tons and will be valued at \$47 billion. Majority of the demand will come from developing countries in the Asia Pacific region including China. Several international paint companies are also entering India. Norway's Jotun Group is increasing its operations with a new production facility at Pune while Nippon Paint is reported to be mulling investments of around Rs 3.5 billion to build a new plant in Gurgaon.

(Source: Appraisal Of Financial Performance Of Paints Industry In India, Department of Commerce, Maharaja Ganga Singh University)

### **Major segments of paints industry**

The paints industry is mainly divided into two segments – Decorative and Industrial. The decorative segment accounts for a major portion of the paint industry's value, around 75%, and the industrial segment accounts for the rest 25% of the industry's value.

#### **Decorative paints**

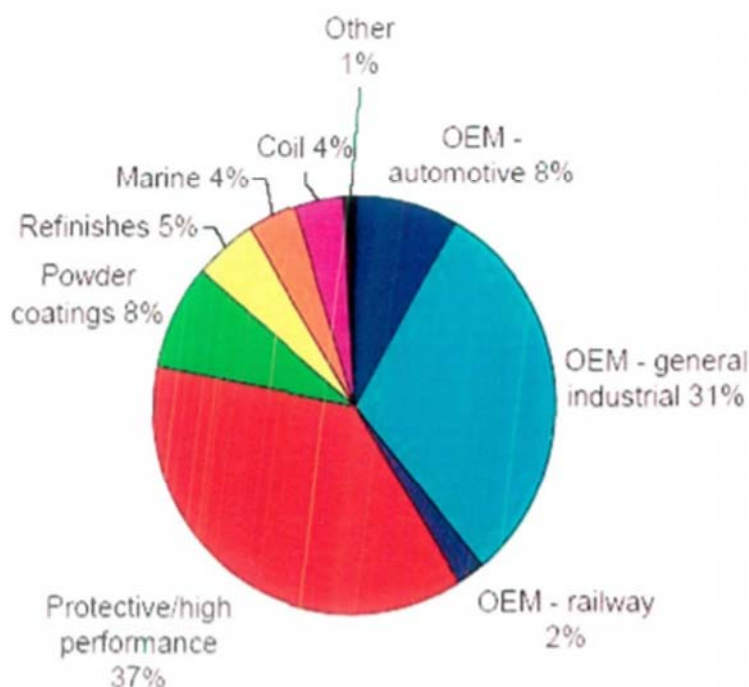
The decorative segment consists of exterior and interior emulsions, enamels, primer and thinner, distemper, wall putti. Emulsions and distempers are used for painting walls, enamels for wood and metals, primers and putties for bringing evenness on the walls before final paint is applied. Of the emulsion and distemper paints, emulsion paints are comparatively costlier on account of its better quality as emulsions provide smoother finish to walls and are more durable and long lasting compared to distempers.

#### **Industrial paints**

The industrial paint includes auto OEM paints and protective coatings, auto refinish, GI (General Industrial) paints, powder coatings. Auto OEM paints and protective coatings and auto refinish paints are used by auto producers for painting automotive interiors and exteriors, GI paints are used for construction, heavy

engineering & agricultural equipment etc. Powder coatings are usually used for coating metals and for auto ancillaries, electrical equipments, consumer durables etc.

## INDUSTRIAL PAINTS: REVENUE DISTRIBUTION



(Extracted From, Source: Appraisal Of Financial Performance Of Paints Industry In India, Department of Commerce, Maharaja Ganga Singh University)

### Industry Structure

#### Organized and unorganized paints segment

The paints industry is largely dominated by organized players accounting for about 65% of the industry's value and the unorganized players accounting for the rest 35%.

Of the two segments in the paints industry, the industrial paints segment mainly comprises organised players whereas the decorative segment also involves some component of unorganised players as the decorative paints segment is not significantly dependent on technology compared to the industrial paints segment that involves higher technical know-how.

The unorganized segment involves selling of low end products like low end distemper, cement paints etc.

Asian Paints has the biggest market share in the industry if 41%-42%. The next company is Berger Paints with a market share of 13%-14%. Kansai Nerolac Paints too has a market share of around 13%-14%. Akzo Nobel India has a market share of 9%-10%.

These are the 4 biggest paint companies in India. There are also some other listed paint companies in India such as Shalimar Paints.

### Water-based paints and solvent-based paints

The paints manufactured are of two types – Water based paints and solvent based paints (also sometimes called as oil-based paints). For water based paints, binder is water-based while for solvent based paints, the binder is oil-based.

Emulsions are water-based paints and enamels are solvent-based paints. The emulsions are ideal for painting walls while enamels are used for woodwork and metals. Also, solvent-based paints are ideal for bathrooms and kitchens as these paints are not much affected by water.

The solvent based paints release Volatile Organic Compounds (VOCs) into the atmosphere that harms the environment while water-based paints do not release such harmful compounds and thus have least impact on the environment. Also, solvent-based paints are known to produce bothersome odor.

### Future Aspects

The ASSOCHAM, in its recent report on “Indian paint Industry” reveals that India is the second-largest consumer of paint in Asia. “The Indian paint industry has seen a gradual shift in the preferences of people from the traditional white wash to higher quality paints like emulsions and enamel paints”, said Mr. D S Rawat, Secretary General ASSOCHAM.

As per the ASSOCHAM findings, Increase in sales outside metros, as rural India's incremental consumption expenditure is witnessing a handsome growth. The rural sector has a major share of the decorative paints segment. Thus, any benefit to the rural sector for improving the dispensable income is directly co-related to the growth of the paint industry. Besides, decorative paints are marketing savvy products backed by large advertisement campaigns and dealership networks.

(Source: <http://assocham.org/newsdetail.php?id=4670>)

Indian paint industry is expected to grow from the current level of about Rs. 55,895 crores to about Rs. 70,875 crores by the financial year 2019-20 with double-digit compounded annual growth rate (CAGR) of about 12% per financial year. The industrial paint market and decorative paint market is expected to witness a CAGR of 9.5% and 12.7% respectively.



(Source: AC Nielsen Report on Market Study on Paint Industry in India” issued by The Indian Paint Association (IPA) with Nielsen India Private Limited in November, 2016.)

According to, Abhijit Roy, President – IPA, apex body of Indian paint industry, "The Indian Paint Industry currently valued at around Rs. 50,000 Crores is poised to grow at a healthy rate and is expected to reach around Rs.70, 000 Crores by 2021-22. There is a strong co-relation between the Indian Paint Industry and the GDP growth of the country. It has historically surpassed India's GDP growth by 1.5 to 2 times."

(Source: <https://www.ipaindia.org/about-paint-industry.aspx>)

- **Effect of COVID-19 on Industry**  
Washout Quarter due to COVID Lockdown
- Due to the COVID lockdown in India demand wiped out in the month of April that is literally no sales have happened in the entire month.
- Volatile rupee rate has also caused trouble for the industry.
- As the demand increased in the month of May, April raw material prices have increased.
- High fixed cost due to low production and sales due to which expenses are not reduced but the revenue has taken a toll and it effected on the PAT.
- Demand has slowly improved after the lockdown for industrial needs. This could be the reason for a double-digit growth in sales in June (14%).
- The business picked up in the tier 2/3/4 cities and able to achieve 80% of the volume base.

(Source: FinMedium.com - Analysis of Paint Industry in India)

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## OUR BUSINESS

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Financial Statements” beginning on page 29, 191 and 156 respectively of this Draft Prospectus.*

*The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated audited financial statements, as included in this Draft Prospectus. Further, all references to “SCL”, “Siddhika Coatings Limited.”, ‘the Company’, ‘our Company’ and ‘Company’ and the terms ‘we’, ‘us’ and ‘our’, are to Siddhika Coatings Limited.*

## OVERVIEW

Siddhika Coatings Limited is a strategic channel partner in India for SK Kaken Ltd. (‘SKK’) and an authorised importer of its products through SKK Singapore Pte. Ltd. SKK is a renowned coatings and pigments manufacturer based in Japan. Having been associated with SKK for over 15 years, we have gained the reputation of being one of the well-known suppliers of their products in India. We also provide application services which include preparing and coating interior as well as exterior surfaces of civil structures using organic and inorganic architectural textured pigments and technical-grade functional coatings. Currently, we are placed as one of the older marketers for SKK products and its specialist paint and application service providers in India.

We believe that our greatest strength as a company is based in the inherent professional “team-based” work ethos that we derive from our Japanese partners. This has enabled us to provide end-to-end integrated solutions to our clients from supplying of materials to their successful application, we provide flawless and timely delivery of services.

With our head office based in New Delhi, over the years, we have set up various branch offices across the country to expand our reach to customers and have built a commendable service record with clients from various regions. Our prestigious and frequent clients include various eminent architects, real estate developers as well as government and private entities in India. Our PAN India network of application specialists, enabled us to execute projects for big names across various industries over the past decade.

Our Company is led by our Directors, Mr. Charitra Maheshwari, Mr. Gaurav Agarwal, Mr. Abhijeet Banerjee and Mr. Manvendra Pratap Singh, who are all individually well experienced in the project management and paint industry. They are supported by efficient teams within the Company who manage the application and coordination process.

The application team manages approximately 250,000 sq. mtrs. of application contracts, annually. This team includes experienced applicators and supervisors who are thoroughly trained in skillful application of SKK’s products. The coordination team is responsible for timely delivery of projects to the clients’ satisfaction. This team is led by experienced professionals in this business segment and with SKK products. The management is strictly committed towards the promotion and usage of only SKK’s products and have thus become extremely in tune with its application, methods, instructions and usage.

We are focused on providing bespoke services for both, existing clients with repeat contracts as well as new clients to suit their requirements. We believe that this personalized effort, backed by consistent exemplary execution quality, has enabled us to achieve client satisfaction and thus aided the progress of our business.

With experience and knowledge of our professional managerial team and commitment of trained execution team, we have been able to achieve our growth targets.

Our Restated Consolidated Financial Statements show that we have grown our total revenue at a CAGR of 11% from Rs. 2197.63 lakhs to Rs. 3012.53 lakhs in Fiscal 2018 to Fiscal 2020 respectively. We had an EBITDA margin of 14.13% and a PAT margin of 9.83% for the financial year ended March 31, 2020.

For the six months period ended September 30, 2020 and financial years ended March 31, 2020, 2019, and 2018, our restated revenue stood at Rs. 603.88 Lakhs, Rs. 3012.53 lakhs, Rs. 3,194.24 Lakhs, and Rs. 2,197.63 Lakhs, respectively. Further, our restated Profit After Tax (“PAT”) for the six months period ended September 30, 2020 and financial years ended March 31, 2020, 2019, and 2018 was recorded at Rs. 19.98 lakhs, Rs. 295.86 lakhs, Rs. 351.14 Lakhs, and Rs. 256.44 Lakhs, respectively. Our earnings before interest, tax, depreciation and amortization (“EBITDA”) for the six months period ended September 30, 2020 and financial years ended March 2020, 2019 and 2018 was Rs. 33.44 lakhs, Rs. 425.69 lakhs, Rs. 500.73 Lakhs, and Rs. 366.40 Lakhs, respectively.

### ***Impact of COVID-19 on our business operations:***

The current outbreak of COVID-19 pandemic has adversely impacted the global economy. The World Health Organization declared the outbreak of COVID-19 as a public health emergency of international concern on January 30, 2020 and a pandemic on March 11, 2020. The Government of India announced a nation-wide lockdown on March 24, 2020 and imposed several restrictions. Since our business and its products were not categorized under the ‘essential goods’, hence our offices were shut down during this pandemic. In view of the nationwide lockdown announced by the Government of India to control the spread of COVID19, our business operations were temporarily disrupted from March 24, 2020.

Since then, we have resumed operations in a phased manner as per the Government of India and state government’s directives. We have resumed our business activities after making arrangements to meet the government’s requirements on sanitization, people movement and social distancing. However, due to limited availability of labour, material suppliers, logistics and supply chain constraints, our business is operating at a controlled pace. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in “Risk Factors” on page 29 of this Draft Prospectus. We are continuously monitoring the economic conditions and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

## **OUR BUSINESS STRENGTH**

### **1. Experienced Promoter and Management Expertise**

Our Company is managed by a team of competent personnel having knowledge of core aspects of our Business. Our Promoter with their knowledge and experience and the assistance and support of our Key Managerial Personnel, have helped the Company to build and maintain long term relations with our customers. Further, they have also facilitated us to entrench with new customers. We believe that our experience, knowledge and human resources will drive the business to succeed.

### **2. Quality Assurance**

Our Company has excellent record of providing quality services which makes our Company stand out among our competitors. In terms of quality, our Company focuses significantly on the training and

experiences of our staff as well as the quality of materials used in executing work contracts to ensure the desired quality is achieved.

### 3. **Good Track Record**

We believe that we have been able to achieve a good track record by completing over 160 projects across 11 states in India over the last three calendar years, without compromising on quality or efficiency. This is why we have experienced repeat contracts/ orders from some of our clients.

### 4. **Unique Brand Positioning**

We believe our association with “SK Kaken Ltd.”, a brand known for its high-quality paints and coatings, has positioned us well in this competitive market. We have been able to enhance our brand recognition and improve brand recall through a variety of means such as our strong contract performance, PAN India network, quality workmanship, comprehensive solutions, modern techniques, integrated systems and processes, and targeted marketing. Our brand recognition has been instrumental in increasing our client count through a high referral rate and high client retention rate.

### 5. **Result Oriented**

We are able to attract well-known brands and quality clients due to our deep expertise, strong marketing presence, backed by our close follow-up with prospective clients.

### 6. **Geographical Presence & efficient network management**

The Company is gradually expanding its presence to various cities in India. Currently it has branch offices across 11 states, including Delhi, Haryana, Uttar Pradesh, Rajasthan, Himachal Pradesh, Karnataka, Tamil Nadu, Telangana, West Bengal, Gujarat and Maharashtra.

We have been able to efficiently manage the operations from our various locations in our network. Efficient coordination and standardized quality and practice across all locations have been achievable because our directors covered major segments of the country, while being stationed in major commercial centers like Bangalore, Mumbai, New Delhi and one director is constantly on business tours covering minor regions, there are senior employees, designated as General Managers who supervise each major branch office.

## OUR STRATEGIES

### 1. **Monetize on untapped potential of specialized sector**

We believe that organized services for coatings applications sector is largely untapped. Over our years of operations in this sector, we have experienced positive market sentiments and an increasing interest toward specialized coating services. We intend to work towards expanding our product and specialised service awareness, thus benefitting from the untapped potential in this sector. All paints and coating companies are beating GDP growth rates, construction while has slowed down, paint and paints application are out pacing their relative industry. This is the effect of organized companies acquiring market space from unorganized smaller companies.

### 2. **Expansion**

As part of our expansion strategy, we have started using products in addition to SKK like sealants, skim coats, etc to cater requirements of TMS business. However, as a business strategy we are still focused on single brand usage and specialization.

### 3. Training

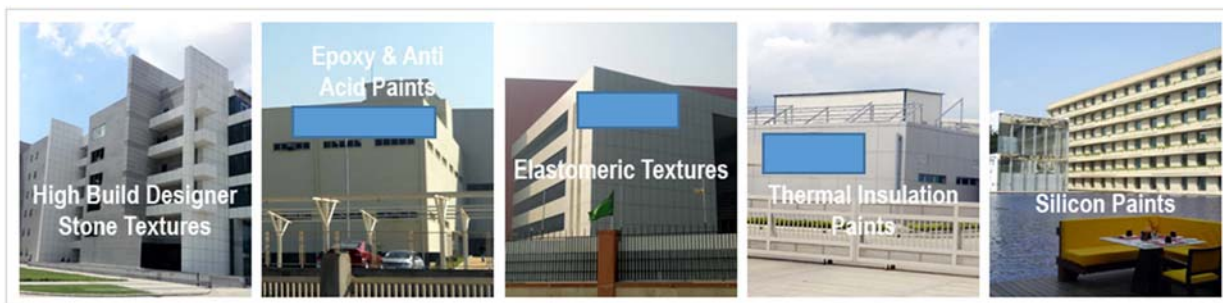
In the near future, we are aiming to set up our own training facility for applicators and project technicians which will ensure consistent uniform quality services delivered to all clients. Construction market in India despite its mega size still struggles for quality in line with global standards & we as a focused contract company are keen to keep on improving to achieve optimum level as per client's expectations. Further on this helps more as a marketing approach when we go to the market as a specialized paint contract company with only leading brand of product which is a rare availability in this market.

### LOCATION

Our offices are located across various parts of India for ease of operations and scaling the business. The details are as follows:

| Office            | Location                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Registered Office | L-9, Lower Ground Floor, Kalkaji, New Delhi-110019                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Branch Offices    | <ul style="list-style-type: none"> <li>➤ Shop No. 16, G.F. Shopping Complex, Sector-15A, Faridabad (E), Haryana-121007</li> <li>➤ H. No. 9, N.H. 8, Jaipur Road , Nimrana (Rajasthan)- 301705</li> <li>➤ MIG 48, Sector 1, Village Parwanoo, Parwano (Himachal Pradesh) – 173220</li> <li>➤ 4/8, MMDA Colony, 1st Main Road, Madhuravoyal Chennai – 600095</li> <li>➤ Office No. 204, 2nd Floor, Ratnadeep Chamber, Above 24 Carat Sweet Shop, Ring Road, Surat (Gujarat) – 395001</li> <li>➤ Office No. 204, 2nd Floor, Ratnadeep Chamber, Above 24 Carat Sweet Shop, Ring Road, Surat (Gujarat) – 395001</li> <li>➤ Metropolitan Housing Society, Sec-A, Plot 150, Kolkata – 700105</li> <li>➤ 3rd Floor, No.1153, 22nd Cross, 24th Main, Parangipallya, Opp. Ambedkar Bhawan, HSR Layout, Sector-2, Bangalore- 560102</li> <li>➤ C19/102, Mahagun Apartment, Shalimar Garden Extn II, Sahibabad (Ghaziabad) -201005</li> <li>➤ H. No. 233, Vivek Vihar Colony, Ranipur More, Haridwar – 249407</li> <li>➤ A/29, Ground Floor, Sagar Tech Plaza, A Block, Sector- Sakinaka, Mumbai-400072</li> <li>➤ H. No.8-2, 293/82/A/71/ Road no.36, Jublee Hills, Hyderabad, Telangana-500033</li> </ul> |

## OUR PRODUCTS



*\*Actual photos of projects executed by the company.*

### **High Build Designer Stone Textures:**

Stone Finish Textures are made from natural stone chips with high build resin and are used to create stone like effect with similar feel, look & strength. Texture coating products come with a package of double component hardener and a double component polyurethane topcoat. The colors and panel sizes can be customized as per client requirement. This makes the building façade look like natural stone without involvement of artificial pigments and the hassles of installing heavy stone slabs or tiles.

### **Elastomeric Textures & Texture Coatings:**

Elastomeric Textures represent the next generation texture paint. The elastomeric nature ensures non-crack coating and covers upto 1.5 mm cracks in substrate. Elastomeric textures are generally a dominant product in developed markets and very useful in locations with temperature variations, like North India. We also deal in texture coatings which consists of a special primer and colored topcoats. These textures are not only aesthetically appealing but also durable.

### **Thermal Insulation Coatings and Paints:**

Thermal Insulation Coatings and Paints are the need of hour with the growing global awareness on energy conservation. These coatings help the building balance internal temperatures according to prevailing external temperatures, hence reducing energy consumption on air conditioning and also making it a cost-efficient investment. It is also preferred in industries and warehouses where air conditioning facilities cannot be installed and helps maintain the temperature at comfortable levels within the facility.

### **Anti-bacterial paints and low VOC paints:**

Anti-Bacterial Paints are used in operation theaters and common areas of hospitals. Over the years, in addition to hospitals, these products are also now seeing use for interiors of hotels, offices and even households. Low VOC paints are those that contain less “Volatile Organic Compounds” than traditional coatings and are environment friendly. These paints are generally used in schools, ecologically sound buildings and construction projects seeking higher points for LEED (Leadership in Energy and Environmental Design) Certification. These products adhere to IGBC & GRIHA guidelines and are also approved and tested in various reputed labs across the world.

### **Multi color & metallic decorative paints:**

Aesthetically used as a coating to give a wall paper or metallic finish on the walls. These coatings can be used on interior and exterior walls on good substrate to get a metal finish on the wall. With excellent weather resisting properties all these coatings are topcoated with polyurethane based double component topcoat. Highly washable these coatings can be used in interiors as well.

**Silicon Paints and Coatings:**

Traditionally used as a clear top coat, they are now available in various colors and can be used as a complete strong painting system. Water repellent silicon paints are durable, allow the surface to breathe and the penetrative quality helps in gripping the surface. All these qualities make them an attractive option for conventional acrylic emulsions and also useful to repaint bad substrates.

**Epoxy and Anti Acid Paints:**

Epoxy paints are mainly used for industrial surfaces and floors in automotive and pharmaceutical industries. The range includes dust proof, self-leveling and anti-static floor paints along with specific usage polyurethane and silicon floor paints. Anti-acid paints are used for particular industrial requirements for chemical storage, drains, etc.

**Wide range of other functional paints:**

Apart from standard products we do offer jet wash services, special repainting systems, polyurethane external grade coatings, customized paint solutions for those clients requesting such services and have such additional project requirements.

**UTILITIES AND INFRASTRUCTURE FACILITIES****Infrastructure Facilities**

Our Registered Office is situated at L-9, Lower Ground Floor, Kalkaji, New Delhi-110019. The Office is well equipped with adequate computer systems, internet connectivity, communication equipment's and other facilities which are required for our business operations.

**Power Facilities**

The company does not require much power except the normal requirement of the offices of the Company and for basic lighting, computer systems, etc. and thus adequate power is available for the same.

**Water Facilities**

Adequate water facilities for consumption are available at the existing office premises.

**MARKETING APPROACH**

Our Company has a strong client profile which includes some of the big brand names. Marketing of our Company is also substantially dependent on the past credentials, and track record, which include timely completion of work, quality of services and after sales services. We believe that our track record of successful completion of contracts gives us an edge in future contracts.

On becoming SKK's channel partner to cover its specialized paint and coating business on PAN India basis and building an experienced skilled work force, the Company's next target is to aggressively enter into the Total Maintenance System ('TMS') business. TMS is a building restoration, renovation & repainting system that will back up the building restoration by implementing four main scope of work. This includes Site Investigation, Colour Coordination Photo Presentation, Existing Surface Treatment, addressing common defects & finally arranging proper solution for façade with high quality texture / paint product.

TMS is still at its development stage in India and thus Siddhika is gearing up to set up such services in all major cities of India. To receive training for the same, atleast one delegation of project in-charge personnel is being sent to Singapore per year, for training from SKK's experienced TMS team. This new aspect shall put the Company in the limelight for the specialized services.

With more than a decade of Siddhika's experience in domestic market we know our construction & weathering effect on facades. Our TMS team will focus on value engineering by enhancing building life, aesthetics with an arrangement of all renovation work under one contract. By having a well-trained execution team and well placed systems for TMS, the Company shall be preferred by clients and thus prove to be a marketing strategy in itself.

Clients are now preferring better quality, well managed and efficient contract companies to deliver quality products and comply with site requirements. Our Company is well placed to fulfill this demand with higher standards of compliance & skilled manpower as its core strength. With strategic support from SKK, Siddhika gets full support on marketing by SKK representatives. Recently, SKK has invited many employees of the Company to meet leading architects and construction consultants in Singapore who have branches in India. This assures them that a reliable contract company such as ours can deliver quality product and efficient services as per global standards to their clients in India.

Construction market in India despite its mega size still struggles for quality in line with global standards and we as a focused contract company are keen to keep on improving to achieve optimum level as per client's expectations. Further on this helps more as a marketing approach when we go to the market as a specialized paint contract company with only leading brand of product which is a rare availability in this market.

SKK markets its products in India based on Bills of Quantity provided by architectural firms. Through this, SKK provides Siddhika with 'supply and apply' opportunities for prospective clients seeking SKK products and specialized application services. Our company is responsible for giving quotations to such opportunities and executing the work contracts on receiving the contract from such clients.

## HUMAN RESOURCES

We believe that a team of committed and motivated employees is a key competitive advantage and will benefits us in our future growth and expansion. Our business model requires a mix of skilled, semi-skilled and un-skilled labour. As on as on September 30, 2020 our Company had 76 permanent employees. We also engage labour on temporary basis as and when required and source such labourers/ manpower from other paint application firms/ contractors or from elsewhere.

The details of manpower employed by our company as on September 30, 2020 are as under:

| Sr. No. | Category                                                            | Number of Employees |
|---------|---------------------------------------------------------------------|---------------------|
| 1.      | Executive Directors                                                 | 4                   |
| 2.      | KMP                                                                 | 2                   |
| 3.      | Employees at Registered Office, Corporate Office and Branch Offices | 70                  |

## COMPETITION

We face local competition from various small paint applicator businesses that have a limited regional presence providing decorative paint application services as well as a few organized entities with a PAN India presence but no exact listed peers. We expect that our presence in various cities across India and commitment to quality, past record, success and transparency will provide us with an edge over our competitors.

## COLLABORATIONS

Our Company is a strategic channel partner in India and an authorized importer of SKK's (SK Kaken Ltd., Japan) products and receives support in the form of inbound leads for customers, marketing support and training from SKK.

Our Company has not given any performance guarantees to SK Kaken Ltd., Japan.

## EXPORT AND EXPORT OBLIGATION

As on the date of this Draft Prospectus, our Company does not have any export obligations.

## INTELLECTUAL PROPERTY

As on the date of this draft prospectus, our company has not registered any of our intellectual property rights. Please refer section titled "*Risk Factors*" on page no. 29 of this Draft Prospectus.

## DETAILS OF PROPERTIES

The details of Property occupied, leased, licensed or owned by the Company are as under:

| Sr. No. | Location                                                                                               | Name of Vendor                    | Consideration (Rs.) | Utility           | Date of Agreement/ Acquisition |
|---------|--------------------------------------------------------------------------------------------------------|-----------------------------------|---------------------|-------------------|--------------------------------|
| 1       | L-09, Lower Ground Floor, Kalkaji, South Delhi- 110019                                                 | Owned Property                    | Nil                 | Registered Office | 25-02-2013                     |
| 2       | F-28/5 Okhla Phase - II, New Delhi - 110020                                                            | Inter Collection Pvt. Ltd.- Lease | 73,086              | Warehouse         | 13-10-2018                     |
| 3       | F-28/4 Okhla Phase - II, New Delhi - 110020                                                            | N V Garment Pvt. Ltd.- Lease      | 73,086              | Warehouse         | 13-10-2018                     |
| 4       | Ground Floor, 150, Metropolitan Chs Ltd, Canal South Road, Metropolitan Chs Ltd, Sec- A, Metropolitan, | Pronob Kumar Banerjee- Lease      | 20,000              | Branch Office     | 26-06-2020                     |

| Sr. No. | Location                                                                                                                                                | Name of Vendor                          | Consideration (Rs.) | Utility       | Date of Agreement/ Acquisition |
|---------|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|---------------------|---------------|--------------------------------|
|         | Kolkata, West Bengal, 700105                                                                                                                            |                                         |                     |               |                                |
| 5       | Ground Floor, A/29, Sagar Tech Plaza-A, CTS No. 721, Kurla Andheri Road, Sakinaka, Mumbai City, Maharashtra, 400072                                     | Chandresh Khimji Gori/Bhanushali- Lease | 9,000               | Branch Office | 26-06-2019                     |
|         |                                                                                                                                                         | Chetan khimji bhanushali- Lease         | 6,000               |               | 26-06-2019                     |
|         |                                                                                                                                                         | Hausabai Baburao Botalje- Lease         | 9,000               |               | 15-10-2019                     |
| 6       | 4/8, MMDA Colony, 1st Main Road, Madhuravoyal, Tiruvallur, Tamil Nadu, 600095                                                                           | R. Dimple - Lease                       | 8,000               | Branch Office | 01-04-2019                     |
| 7       | H.NO. 8-2, 293/82/A/71, Road No. 36, Jubilee Hills, Hyderabad, Telangana, 500033                                                                        | Kaisar- Lease                           | 16,000              | Branch Office | 01-08-2018                     |
| 8       | 187, 8th Cross "A" Cross, ITI Layout, Bommanahalli, Bangalore - 560068                                                                                  | A. Afjal- Lease                         | 33,600              | Warehouse     | 31-01-2020                     |
| 9       | 51, M.V Nilaya, Mahadevapura Village and post Bangalore – 560048                                                                                        | Bhagyalakshamma HG- Lease               | 9,500               | Guest House   | 01-09-2020                     |
| 10      | 38/1, Khamar Manzil, Ayesha Masjid Road, Mangammanapalya, Bommanahalli, Bangalore                                                                       | Syed Riyaz Kazi- Lease                  | 2,000               | Guest House   | 03-02-2020                     |
| 11      | No.1153, BBMP Katha No.3331/1153, 22nd cross, 24th main, opp ambedkar bhavan, sector 2, Parangipalya, H.S.R Layout, Bengaluru, Urban, Karnataka, 560102 | Vasudeva Ready- Lease                   | 29,000              | Branch Office | 01-06-2019                     |

| Sr. No. | Location                                                                                          | Name of Vendor           | Consideration (Rs.) | Utility       | Date of Agreement/ Acquisition |
|---------|---------------------------------------------------------------------------------------------------|--------------------------|---------------------|---------------|--------------------------------|
| 12      | N H 8, House No 9, Jaipur Road, Neemrana, Alwar, Rajasthan, 301705                                | Mahender Singh - Lease   | Nil                 | Branch Office | 01-04-2019                     |
| 13      | 2nd Floor, 204, Ratnadeep Chambers, Above 24 Carat Sweets Shop, Ring Road, Surat, Gujarat, 395001 | Ramilaben Rasikabhi- NOC | 5,000               | Branch Office | 01-04-2020                     |
| 14      | Shop No 16 Ground Floor, Shopping Complex, Sector 15a, Faridabad, Haryana, 121007                 | Sheetal Jhamb - Lease    | Nil                 | Branch Office | 01-04-2019                     |
| 15      | MIG 48, Sector 1, Village Parwanoo, Solan, Himachal Pradesh, 173220                               | Meenu Kumari- NOC        | Nil                 | Branch Office | 01-04-2020                     |
| 16      | 233, Vivek Vihar Colony, Ranipur More, Haridwar, Uttarakhand, 249407                              | Krishna Kumari- Lease    | 2,000               | Branch Office | 01-04-2019                     |
| 17      | C19/102, Mahagun Apartments, Shalimar Garden Extn Ii, Sahibabad, Ghaziabad, Uttar Pradesh, 201005 | Sunil Maheshwari- NOC    | Nil                 | Branch Office | 01-04-2020                     |

#### Note 1: Interest in Property by our Promoter and Promoter Group

Neither our Promoter nor Promoter group members have any interest in any of our property, whether leased, owned or occupied.

#### Note 2: Purchase of Property

We have not entered into any agreement to buy/sell any property with the Promoter or Director or a proposed director who had any interest directly or indirectly during the last 2 (Two) years.

## INSURANCE POLICIES

Our operations are subject to risks inherent in our operations, such as risk of material or equipment loss, work or employee accidents, fire, earthquake, flood and other force majeure events, acts of terrorism and explosion including hazards that may cause injury or loss of life, severe damage to or destruction of properties, equipment and environmental damage.

To overcome these uncertainties, we have insurance policies which include marine cargo-single voyage (sea), marine cargo-single voyage (inland transit), marine cargo cover note, standard fire and special perils policy, burglary, vehicle/ car insurance policy, workman compensation policy and group health insurance.

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**KEY INDUSTRY REGULATIONS AND POLICIES**

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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 Key Approvals” on page 181 of this Draft Prospectus.

**(1) INDUSTRIAL LAWS****1. The Micro, Small And Medium Enterprises Development Act, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 is an act of the Parliament of India. According to this act, “any buyer who fails to make payment to MSMEs, as per agreed terms or a maximum of 45 days, would be liable to pay monthly compounded interest at three times the bank rate notified by RBI, Industries are divided into micro, small and medium. In manufacturing sector, micro industries capital requirements are under 25 lakh rupees. Small industries are from 25 to 500 lakhs and medium industries are 500 to 1000 lakhs.

**2. Industrial Disputes Act, 1947 (“ID Act”) And Industrial Dispute (Central) Rules, 1957**

An act to make provision for the investigation and settlement of industrial disputes and for certain other purposes.

**(2) CORPORATE AND COMMERCIAL LAWS****1. Bureau of Indian Standards Act, 2016 (The “BIS Act”)**

An act to provide for the establishment of national standards body for the harmonious development of the activities of standardization, conformity assessment and quality assurance of goods, articles, processes, systems and services and for matters connected therewith or incidental thereto

**2. Public Liability Insurance Act, 1991**

An act to provide for public liability insurance for the purpose of providing immediate relief to the persons affected by the accident occurring while handling any hazardous substance and for matters connected therewith or incidental thereto.

**3. Company Law Board Regulations 1991**

The CLB Regulations of 1991 laid down the procedures for filling of petitions, counter affidavits, calling for information, taking evidence, ect.

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

It is the primary law in India dealing with cybercrime and electronic commerce.

**5. The Companies Act, 1956 And The Companies Act, 2013**

The companies Act 2013 is an act of the parliament of India for Indian company, responsibilities of a company, directors, dissolution of a company.

**6. Foreign Exchange Management Act, 1999**

The Foreign Exchange Management Act, 1999 is an Act of the Parliament of India "to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India".

**7. The Competition Act, 2002**

The Competition Act, 2002 was enacted by the Parliament of India and governs Indian competition law. It replaced the archaic "The Monopolies and Restrictive Trade Practices Act, 1969".

**8. The Indian Contract Act 1872**

The general law of contract is based on the conception, which the parties have, by an agreement, created legal rights and obligations, which are purely personal in their nature and are only enforceable by action against the party in default.

**9. The Indian Stamp Act 1899**

An act to consolidate and amend the law relating to stamps. It is in-force Act of the Government of India for the charging of stamp duty on instruments recording transactions.

**10. The Customs Act 1962**

An Act to consolidate and amend the law relating to Customs. It applies also to any offense or contraventions thereunder committed outside India by any person. Duties of custom are levied under Sec 12 of the Customs Act on the goods imported into or exported from India. The rates of duty are specified under the Customs Tariff Act, 1975 or under any other law for the time being in force. For instance special duties of customs may be levied under Finance Acts.

**11. Foreign Trade (Development And Regulation) Act 1992& Foreign Trade Regulations Rules 1993**

The foreign policy of India is governed and regulated by the Foreign Trade (Development and Regulation) Act, 1992 ("The Foreign Trade Act"). The Foreign Trade Act has empowered the Central Government to make provisions for the developments as well as regulation of foreign trade by the way of facilitating import as well as augmenting exports from the country and in all other matters. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. Every importer and exporter requires to obtain a code number under the Foreign Trade Act Called the Importer Exporter Code (IEC) issued by the Ministry of Commerce and Industry which is mandatory for exports and imports. The company also got the Certificate of Importer Exporter Code (IEC) No. 0512009520 dated 04/05/2012 as the company is the importer of the paint from SKK Singapore.

**12. The Prevention Of Money Laundering Act 2002**

Prevention of Money Laundering Act, 2002 is an Act of the Parliament of India to prevent money-laundering and to provide for confiscation of property derived from money-laundering. PMLA and the Rules notified there under came into force with effect from July 1, 2005.

**13. The Fugitive Economic Offenders Act 2018**

An act to provide for measures to deter **fugitive economic offenders** from evading the process of law in India by staying outside the jurisdiction of Indian courts, to preserve the sanctity of the rule of law in India and for matters connected therewith or incidental thereto.

**14. The Companies (Donations To National Fund) Act, 1951**

An Act to enable **companies** to make **donations to national funds**.

#### **15. Insolvency And Bankruptcy Code, 2016**

An **Act** to consolidate and amend the **laws** relating to re-organisation and **insolvency** resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons, to promote entrepreneurship, availability of credit and balance the interests of all the persons.

#### **16. Legal Metrology Act, 2009 (The “Legal Metrology Act”) And Legal Metrology (Packaged Commodities) Rules, 2011 (The “Packaged Commodities Rules”)**

Legal Metrology Act, 2009 was enacted with the objectives to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight measure or number and for matters connected therewith or incidental thereto. This act replaced the Standards of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. It ensures public guarantee from the point of view of security and accuracy of the weights and measurements.

#### **17. The Indian Registration Act, 1908**

Indian Registration Act is an act to consolidate the enactments relating to the registration of documents. Registration means recording of the contents of the document.

### **(3) LABOUR AND EMPLOYMENT LAWS**

#### **1. Contract Labour (Regulation And Abolition) Act, 1970**

An **Act** to regulate the employment of **contract labour** in certain establishments and to provide for its **abolition** in certain circumstances and for matters connected there with.

#### **2. Employees’ Compensation Act, 1923**

An Act to provide for the payment of compensation by certain classes of employers to their workmen for injury by accident.

#### **3. The Employees Provident Fund Act 1952**

Employees Provident Fund is established in 1952 and hence the act is named as Employees Provident Fund and Miscellaneous Provisions Act, 1952. It is a welfare scheme for the benefits of the employees. Under this scheme both the employer and employee contribute their part but whole of the amount is deposited by the employer. Employer deducted the employee share from the salary of the employee. The interest earned on this investment is also credited in PF Account..

#### **4. Child Labour (Prohibition And Regulation) Act, 1986**

Under the child labour law in India Adolescents between the age of 14 and 18 are prohibited from working in any hazardous or dangerous occupations and processes. They can only work in certain government declared non-hazardous occupations or in a family business or as an artist.

#### **5. Payment Of Wages Act, 1936**

It regulates payment of wages to employees (direct and indirect). The act is intended to be a remedy against unauthorized deductions made by employer and or unjustified delay in payment of wages.

#### **6. Equal Remuneration Act, 1976**

An act to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto.

7. **Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013**  
It is a legislative act in India that seeks to protect women from sexual harassment at their place of work.

8. **The Employees' State Insurance Act, 1948**

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.

9. **The Payment Of Bonus Act, 1965**

The Payment of Bonus Act provides for the payment of bonus to persons employed in certain establishments, employing 20 or more persons on the basis of profit, on the basis of production or productivity and matters connected therewith. The minimum bonus of 8.33 % is payable by every industry and maximum bonus including productivity linked bonus that can be paid in any accounting year shall not exceed 20% of the salary/wage of an employee under Sec-31A of the Act.

10. **The Payment Of Gratuity Act, 1972**

It is the primary act and considered to be a social security benefit for the employees. The Payment of Gratuity Act applies to the establishments employing 10 or more persons. Under the Gratuity Act, an employee who has been in continuous service for a period of 5 years will be eligible for gratuity upon his retirement, resignation, superannuation, death or disablement due to accident or disease. The maximum amount of gratuity payable shall not exceed Rs. 20 lacs.

**(4) INTELLECTUAL PROPERTY LAWS**

1. **Trademarks Act, 1999 (Tm Act)**

An act to amend and consolidate the law relating to trade marks and to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks

2. **Copyrights Act, 1957**

Subject to the provisions of this act copyright shall subsist throughout in India in the following classes of works that is to say (a) Ordinary literary dramatic, musical and artistic works (b) Cinematograph films (c) sound recording

3. **Patents Act, 1970**

An invention relating to a product or a process that is new involving inventive step and capable of industrial application can be patented in India

4. **Design Act, 2000**

It is an act to consolidate and amend the law relating to the protection of designs.

**(5) PROPERTY RELATED LAWS**

1. **Transfer Of Property Act, 1882**

It is an Indian legislation which regulates the transfer of property in India.

## **(6) ENVIRONMENT LAWS**

### **1. Environment Protection Act 1986**

The Environment (Protection) Act was enacted in 1986 with the objective of providing for the protection and improvement of the environment.

### **2. Regulations On Lead Contents In Household And Decorative Paints 2016**

Household and Decorative Paints" means paints used as surface coating materials in interior and exterior of buildings, walls, civil structures, any consumer products meant for household purposes and shall include enamel, primer, interior, undercoating and finishing colouring materials as prescribed in the Indian Standards for Household and Decorative Paints published by the Bureau of Indian Standards.

### **3. Air (Prevention Of Pollution Control Act) 1981**

An act to provide the prevention, control and abatement of air pollution.

### **4. The Water (Prevention And Control Of Pollution) Act, 1974**

An act to provide the prevention and control of water pollution and maintaining or restoring of wholesomeness of water .

## **(7) TAX ACT**

### **1. Income-Tax Act, 1961**

The Income Tax Act is a comprehensive statute that focuses on the different rules and regulations that govern taxation in the country. It is the charging statute of income tax in India. It provides for levy, administration, collection and recovery of income Tax.

### **2. Finance Act 2019**

An act to continue the existing rates of income tax for the financial year 2019-20 and to make amendments in certain enactments.

### **3. Finance Act 2020**

An act to give effect to the financial proposals of the Central Government for the financial year 2020-2021

### **4. Goods And Services Tax Act 2017**

GST is known as the Goods and Service Tax. It is an indirect tax which has replaced many indirect taxes in India such as excise duty, VAT, service tax etc. Goods and Service Tax is levied on the supply of goods and services. It is a comprehensive, multi-stage, destination based tax that is levied on every value addition. GST is a single domestic indirect tax law for the entire country.

### **5. Tax On Professions, Trades, Callings And Employments Act**

Profession tax is the tax levied and collected by the state governments in India. It is an indirect tax. A person earning an income from salary or anyone practicing a profession such as chartered accountant, company secretary, lawyer, doctor etc. are required to pay this professional tax. Different states have different rates and methods of collection in India. Profession tax is imposed every month. However, not all states impose this tax.

**(8) OTHER ACTS**

**1. Consumer Protection Act 2019**

An act to provide for the protection of the interests of consumers and for the said purpose to establish authorities for timely and effective administration and settlement of consumers disputes and for matters connected therewith .

**2. Insurance Act 1938**

It is an enactment by the legislation to regulate the insurance sector. It provides the broad legal framework within which the industry operates.

**3. Trust Act 1882**

It is a law relating to private trusts and trustees.

In addition to regulations mention above, our Company may also require to comply with the provisions other applicable statutes imposed by the Central or the State for its day-to-day operations.

## HISTORY AND CERTAIN CORPORATE MATTERS

### HISTORY & BACKGROUND

Our Company was originally incorporated on July 20, 2010 as a Private Limited Company under the provisions of the Companies Act, 1956 pursuant to Certificate of Incorporation issued by Registrar of Companies, NCT of Delhi & Haryana, in the name of “Siddhika Coatings Private Limited” vide Certificate of Incorporation Number U45400DL2010PTC206024.

Subsequently, our Company was converted into a public limited company and the name of our Company was changed from “Siddhika Coatings Private Limited” to “Siddhika Coatings Limited” consequent upon conversion into public limited company was granted vide a fresh Certificate of Incorporation to our Company on January 14, 2020 by Registrar of Companies, NCT of Delhi & Haryana having Corporate Identification Number U45400DL2010PLC206024

### CORPORATE PROFILE OF OUR COMPANY

For information on our Company’s business profile, activities, services and managerial competence, please refer to the chapters titled “*Our Management*”, “*Our Business*” and “*Industry Overview*” beginning on pages 132, 109 and 100, respectively of this Draft Prospectus.

### CHANGES IN REGISTERED OFFICE

There has been no other change in the registered office of the Company since incorporation except as mentioned below:

| S.No. | Location                                                        | Date          | Reason for change          |
|-------|-----------------------------------------------------------------|---------------|----------------------------|
| 1     | QU-289A, Chitrakoot Society, MIG Flats, Pitampura, Delhi-110088 | Incorporation | -                          |
| 2     | L-9, Lower Ground Floor, Kalkaji, New Delhi-110019              | June 03,2013  | Administrative Convenience |

### DETAILS OF MAJOR EVENTS AND MILESTONES

| Year | Particulars                                                                                                                                                                      |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2010 | Incorporated as “Siddhika Coatings Education Private Limited”                                                                                                                    |
| 2013 | Achieving milestone of > 2 Lac sq.mtr of paint work completion in single year.                                                                                                   |
| 2014 | Set up a development centre in Kolkata to reach out industry demand in eastern region.                                                                                           |
| 2015 | Acquisition of AB Coatings Private Limited to expand our portfolio. Commenced operations in Bangalore aiming to cater southern region.                                           |
| 2016 | Commenced operations in Bangalore.                                                                                                                                               |
| 2017 | SKK recognized SIDDHIKA (First ever such recognition in India) as their key partner for supply & apply across India.                                                             |
| 2018 | Commenced operations in Hyderabad                                                                                                                                                |
|      | Reached to strength of 70+ working strength within group which is helping Siddhika’s operations to expand.                                                                       |
|      | Achieved milestone of completing > 4.8 Lac sq.mtr in application during one year. That helped us to achieve the tag of India’s largest paint contractor in single brand segment. |

| Year | Particulars                                                                       |
|------|-----------------------------------------------------------------------------------|
| 2019 | Commenced operations in Mumbai to expand footprint in India's financial capital.  |
| 2020 | Conversion of our Company from private limited company to public limited Company. |

### Appreciations or accreditation:

| Sr. No. | Issuing Authority/Company                               | Date of Issue   |
|---------|---------------------------------------------------------|-----------------|
| 1       | Central Park Infrastructure Development Private Limited | August 10, 2018 |
| 2       | Interglobe Hotels                                       | March 14, 2019  |

## MAIN OBJECTS OF OUR COMPANY

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

1. To carry on business of and dealers, importers and exporters of natural and synthetics resins, moulding powders, adhesives and cements, oil paints, distempers, cellular paints, colours, varnishes, enamels, gold and silver leaf enamels, soap, cosmetics, perfumes, medicines, drugs, dyes, fats, waxes hides, painting, coating and such other allied articles thereof and to carry on the contracts & services assignments in the above field for the shops, shopping centres, the malls, showrooms, convenience stores, departmental stores, agencies, distribution centers, stores, depots and warehouses, etc and business of like nature at any place in India or Abroad.
2. To carry on the business of manufactures or processors and/or importers, exporters, buyers, sellers, stockists and distributors of and/or dealers in all kinds of oils, pigments, compounds, dye stuff, organic or mineral, intermediates, paints and colour grinders and makers, paints and varnish etc. in and outside of India.

## CHANGES IN THE MEMORANDUM OF ASSOCIATION

The following changes have been made in the Memorandum of Association of our Company since inception:

| Sr. No. | Particulars of Amendment                                                                                                                                                                                                               | Date of Shareholders Meeting | Effective Date of Amendment |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| 1.      | <u>Alteration of the Capital Clause:</u><br>Increase in Authorized share capital of our Company from Rs.25,00,000 comprising of 250000 Equity Shares of Rs.10 each to Rs.35,00,000 comprising of 350000 Equity Shares of Rs.10 each    | June 29, 2013                | June 29, 2013               |
| 2.      | <u>Alteration of the Capital Clause:</u><br>Increase in Authorized share capital of our Company from Rs.35,00,000 comprising of 350000 Equity Shares of Rs.10 each to Rs.3,25,00,000 comprising of 3250000 Equity Shares of Rs.10 each | August 30, 2019              | August 30, 2019             |
| 3.      | <u>Alteration of the Name Clause:</u>                                                                                                                                                                                                  | October 30, 2019             | January 14, 2020            |

| Sr. No. | Particulars of Amendment                                            | Date of Shareholders Meeting | Effective Date of Amendment |
|---------|---------------------------------------------------------------------|------------------------------|-----------------------------|
|         | Conversion from Private Limited Company into Public Limited Company |                              |                             |

## CAPITAL RAISING (DEBT /EQUITY)

Except as set out in the sections titled "*Capital Structure*" and "*Financial Indebtedness*" beginning on page no. 66 and [●] respectively of this Draft Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

## HOLDING COMPANY OF OUR COMPANY

**Siddhika Business Applications Private Limited ("Siddhika Business Applications"):**

### ***Corporate Information:***

Siddhika Business Applications was incorporated on August 05, 2010 as a private limited company. It has its registered office at 53D, Pocket A, DDA Flats, South Delhi, Sukhdev Vihar, New Friends Colony, New Delhi - 110025

### ***Nature of Business:***

Siddhika Business Applications is engaged in the business:

To provide business solutions to all business entities and to act as consultants and/or adviser on all matters and problems relating to administration and management.

### ***Capital Structure:***

The Authorised share capital of the Company is Rs. 15 lakhs divided into 1,50,000 Equity Shares.

### ***Shareholding:***

The shareholding pattern of Siddhika Business Applications is given below:

| Name of Shareholders                                   | No. of Shares   | Percentage of shareholding |
|--------------------------------------------------------|-----------------|----------------------------|
| Rashi Maheshwari                                       | 30,000          | 20%                        |
| Charitra Maheshwari                                    | 1,15,000        | 76.6%                      |
| Siddhika Consulting and Investment OPC Private Limited | 5,000           | 3.33%                      |
| <b>Total</b>                                           | <b>1,50,000</b> | <b>100%</b>                |

## SUBSIDIARY COMPANY OF OUR COMPANY

### AB Coatings Private Limited (“AB Coatings”):

#### Corporate Information:

AB Coatings was incorporated on 15 December 2011 as a private limited company. It has its registered office at L-9, Lower Ground Floor, Kalkaji, New Delhi, South Delhi, Delhi-110019.

#### Nature of Business:

AB Coatings is engaged in the business:

To carry on the business of dealer in all kinds of oils, pigments, compounds dye stuff, organic or mineral intermediates, paints and varnish.

#### Capital Structure:

The Authorised share capital of the Company is Rs. 10 lakhs divided into 1,00,000 Equity Shares.

#### Shareholding:

The shareholding pattern of AB Coatings is given below:

| Name of Shareholders                                       | No. of Shares | Percentage of shareholding |
|------------------------------------------------------------|---------------|----------------------------|
| Siddhika Coatings Limited                                  | 10000         | 88.89%                     |
| Charitra Maheshwari jointly with Siddhika Coatings Limited | 1250          | 11.11%                     |
| <b>Total</b>                                               | <b>11250</b>  | <b>100%</b>                |

#### Amount of accumulated profits or losses of the subsidiary not accounted for by the issuer:

NIL

## JOINT VENTURE OF OUR COMPANY

Our Company has not entered into any joint venture Agreement as on the date of filing of this Draft Prospectus.

## REVALUATION OF ASSETS

Our Company has not revalued its assets since its incorporation.

## CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Since incorporation, there has been no change in the activities being carried out by our Company which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled “*Our Management*” on page 132 of the Draft Prospectus.

## CHANGES IN ACCOUNTING POLICIES IN LAST THREE (3) YEARS

There have been no changes in accounting policies of our Company in last three years.

## DETAILS OF OUR PAST PERFORMANCE

Details in relation to our financial performance since inception, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 156 of this Draft Prospectus.

## INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

## MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

| S.No. | Acquisition                  | CIN                   | Registered Address                                         | Date                 |
|-------|------------------------------|-----------------------|------------------------------------------------------------|----------------------|
| 1     | AB Coatings Private Limited* | U24222DL2011PTC228793 | L-9, Lower Ground Floor,<br>Kalkaji, New Delhi –<br>110019 | December 17,<br>2015 |

\*AB Coatings Private Limited is a wholly owned subsidiary of the company.

## STRIKES AND LOCKOUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of the Draft Prospectus, our employees are not unionized.

## TIME AND COST OVERRUNS IN SETTING UP PROJECTS:

As on the date of the Draft Prospectus, there have been instances of time overruns in some of the projects undertaken by our Company but there has not been any cost overrun. This is because the delays have not been at the Company’s end. For more details, please see “Risk Factors” beginning on page 29.

## 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, please refer to the chapter “Our Business” on page 109 of this Draft Prospectus.

## SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of the Draft Prospectus.

## OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business as on the date of filing of the Draft Prospectus.

**AGREEMENT ENTERED INTO BY A KEY MANGERIAL PERSONNEL OR DIRECTORS OR PROMOTER OR ANY OTHER EMPLOYEE OF THE ISSUER**

None of our key managerial personnel or director or promoter or any other employee, either by themselves or on behalf of any other person, has entered into an agreement with any shareholder or any third party with regard to compensation or profit sharing in connections with the dealings in the securities of our Company.

**COLLABORATION**

Our Company has not entered into any collaboration with any third party as per regulation 10 B (1) (c) of part A Schedule VI of SEBI (ICDR) Regulations, 2018.

**STRATEGIC PARTNER**

Our Company is the strategic channel partner in India for SK Kaken Ltd. (SKK), Japan and an authorised importer of SKK's products SKK is Paint and Coatings manufacturer with its training and supplies routed from its Singapore entity. We have been in association with SKK for over 15 years now and believe that we are one of the older specialist applicators of SKK products in the Indian paint sector.

**FINANCIAL PARTNER**

Our Company does not have any financial partner as on the date of filing of the Draft Prospectus.

**DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

**NUMBER OF SHAREHOLDERS**

Our Company has Thirty Six (36) shareholders as on date of the Draft Prospectus.

**GUARANTEE PROVIDED BY OUR PROMOTER:**

Save and except as disclosed in this Draft Prospectus, our Promoter have not given any guarantees to third parties that are outstanding as on the date of filing of this Draft Prospectus.

## OUR MANAGEMENT

In accordance with our Articles of Association, unless otherwise determined in a general meeting of the Company and subject to the provisions of the Companies Act, 2013 and other applicable rules, the number of Directors of the Company shall not be less than 3 and not more than 15, at least two thirds of whom shall be liable to retire by rotation. Our Company currently has 8 (Eight) directors on our Board out of which 4 (Four) are Executive Directors, 4 (Four) are Non-Executive Independent Directors of which one is Chairman.

The Following table sets forth details of the Board of Directors as of the date of this Draft Prospectus:-

| <b>1. Mr. Charitra Maheshwari</b> |                                                                                                                                          |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Father's Name                     | Mr. Brij Kishore Maheshwari                                                                                                              |
| DIN                               | 03055689                                                                                                                                 |
| Date of Birth                     | December 30, 1975                                                                                                                        |
| Age                               | 44 Years                                                                                                                                 |
| Designation                       | Managing Director                                                                                                                        |
| Qualification                     | Bachelor of Arts (BA)                                                                                                                    |
| No. of Years of Experience        | 26 Years                                                                                                                                 |
| Address                           | 53-D, Pocket A, DDA Flats, Sukhdev Vihar, New Friends Colony, South Delhi, New Delhi- 110025                                             |
| Occupation                        | Business                                                                                                                                 |
| Nationality                       | Indian                                                                                                                                   |
| Date of original Appointment      | October 09, 2013                                                                                                                         |
| Date of Re-appointment            | July 01, 2017                                                                                                                            |
| Term of Appointment               | Five year with effect from July 01, 2017                                                                                                 |
| Period of Directorship            | Director since October 09, 2013                                                                                                          |
| Other Directorships               | 1. Siddhika Consulting and Investment OPC Private Ltd<br>2. Siddhika Business Applications Private Ltd<br>3. AB Coatings Private Limited |
| <b>2. Mr. Gaurav Agarwal</b>      |                                                                                                                                          |
| Father's Name                     | Mr. Vishun Narain Agarwal                                                                                                                |
| DIN                               | 06752256                                                                                                                                 |
| Date of Birth                     | October 03, 1979                                                                                                                         |
| Age                               | 40 Years                                                                                                                                 |
| Designation                       | Director                                                                                                                                 |
| Qualification                     | Master of Business Administration (MBA)                                                                                                  |
| No. of Years of Experience        | 22 Years                                                                                                                                 |
| Address                           | Flat no 1508, Block B, Purva Skywood Apprt. Silver County, Haralur Road, Kudlu, Bangalore 560102                                         |
| Occupation                        | Business                                                                                                                                 |
| Nationality                       | Indian                                                                                                                                   |
| Date of Original Appointment      | April 07, 2014                                                                                                                           |
| Date of Re-designation            | September 30, 2014                                                                                                                       |
| Term of Appointment               | Retire by Rotation                                                                                                                       |
| Period of Directorship            | Director since April 07, 2014                                                                                                            |
| Other Directorships               | AB Coatings Private Ltd.                                                                                                                 |

| 3. Mr. Abhijeet Banerjee      |                                                                                                           |
|-------------------------------|-----------------------------------------------------------------------------------------------------------|
| Father's Name                 | Mr. Amal Kumar Banerjee                                                                                   |
| DIN                           | 05132820                                                                                                  |
| Date of Birth                 | May 31, 1969                                                                                              |
| Age                           | 50 Years                                                                                                  |
| Designation                   | Director and Chairman                                                                                     |
| Qualification                 | Bachelor of Commerce (B.com)                                                                              |
| No. of Years of Experience    | 31 Years                                                                                                  |
| Address                       | M-2, Rama Krishna Vihar, Plot No. 29, I.P. Extension, Patparganj, Shakarpur, East Delhi, New Delhi-110092 |
| Occupation                    | Business                                                                                                  |
| Nationality                   | Indian                                                                                                    |
| Date of Original Appointment  | May 10, 2013                                                                                              |
| Date of Re-designation        | September 28, 2013                                                                                        |
| Term of Appointment           | Retire by Rotation                                                                                        |
| Period of Directorship        | Director since May 10, 2013                                                                               |
| Other Directorships           | AB Coatings Private Ltd.                                                                                  |
| 4. Mr. Manvendra Pratap Singh |                                                                                                           |
| Father's Name                 | Mr. Nagendra Singh                                                                                        |
| DIN                           | 07893345                                                                                                  |
| Date of Birth                 | February 09, 1984                                                                                         |
| Age                           | 36 Years                                                                                                  |
| Designation                   | Director                                                                                                  |
| Qualification                 | Master of Business Administration (MBA)                                                                   |
| No. of Years of Experience    | 14 years                                                                                                  |
| Address                       | H.No. 389, Sector 30, Amar nagar, Faridabad, Haryana – 121003                                             |
| Occupation                    | Business                                                                                                  |
| Nationality                   | Indian                                                                                                    |
| Date of Original Appointment  | August 01, 2017                                                                                           |
| Date of Re-designation        | September 29, 2017                                                                                        |
| Term of Appointment           | Retire by Rotation                                                                                        |
| Period of Directorship        | Director since August 01, 2017                                                                            |
| Other Directorships           | NIL                                                                                                       |
| 5. Ms. Asha Mittal            |                                                                                                           |
| Father's Name                 | Mr. Sunil Mittal                                                                                          |
| DIN                           | 08729528                                                                                                  |
| Date of Birth                 | February 06, 1989                                                                                         |
| Age                           | 31 Years                                                                                                  |
| Designation                   | Independent Director, Non-Executive Director                                                              |
| Qualification                 | Company Secretary (CS), Master of Commerce (M.Com), Bachelor of Law (LLB)                                 |
| No. of Years of Experience    | 8 Years                                                                                                   |
| Address                       | House No 145, Pocket 9, Sector 21, Rohini, Delhi, 110086                                                  |
| Occupation                    | Professional                                                                                              |
| Nationality                   | Indian                                                                                                    |

|                                   |                                                            |
|-----------------------------------|------------------------------------------------------------|
| Date of Original Appointment      | March 20, 2020                                             |
| Date of Re-designation            | December 15, 2020                                          |
| Term of Appointment               | Five years with effect from March 20, 2020                 |
| Period of Directorship            | Director since March 20, 2020                              |
| Other Directorships               | NIL                                                        |
| <b>6. Mr. Pradeep Srivastava</b>  |                                                            |
| Father's Name                     | Mr. Rajeshwar Lal Srivastava                               |
| DIN                               | 08706824                                                   |
| Date of Birth                     | August 11, 1983                                            |
| Age                               | 37 Years                                                   |
| Designation                       | Independent Director, Non-Executive                        |
| Qualification                     | B.Sc                                                       |
| No. of Years of Experience        | 10 Years                                                   |
| Address                           | 71 Balmukund khand Giri Nagar, kalkaji, South Delhi 110019 |
| Occupation                        | Professional                                               |
| Nationality                       | Indian                                                     |
| Date of Original Appointment      | February 20, 2020                                          |
| Date of Re-designation            | December 15, 2020                                          |
| Term of Appointment               | Five years with effect from February 20, 2020              |
| Period of Directorship            | Director since February 20, 2020                           |
| Other Directorships               | NIL                                                        |
| <b>7. Mr. Inderpal Singh</b>      |                                                            |
| Father's Name                     | Mr. Malik Singh                                            |
| DIN                               | 01591639                                                   |
| Date of Birth                     | December 22, 1969                                          |
| Age                               | 50 Years                                                   |
| Designation                       | Independent Director, Non-Executive                        |
| Qualification                     | Bachelor of Architecture                                   |
| No. of Years of Experience        | 25 Years                                                   |
| Address                           | A- 53, Sector 49, Gautam Budh Nagar, Noida 201301          |
| Occupation                        | Professional                                               |
| Nationality                       | Indian                                                     |
| Date of Original Appointment      | February 05, 2020                                          |
| Date of Re-designation            | December 15, 2020                                          |
| Term of Appointment               | Five years with effect from February 05, 2020              |
| Period of Directorship            | Director since February 05, 2020                           |
| Other Directorships               | Delkan Buildtech Pvt Ltd                                   |
| <b>8. Mr. Ashish Kumar Tiwari</b> |                                                            |
| Father's Name                     | Onkar Nath Tiwari                                          |
| DIN                               | 00254566                                                   |
| Date of Birth                     | June 30, 1974                                              |
| Age                               | 46 years                                                   |
| Designation                       | Independent Director, Non-Executive                        |
| Qualification                     | B.Sc., M.Sc., CS and LLB                                   |
| No. of Years of Experience        | 20 Years                                                   |

|                        |                                                                                                                                                                                                                                                                                |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Address                | 127/784/20, W-1, Saket Nagar, Juhi Colony, Kanpur, Uttar Pradesh-208014                                                                                                                                                                                                        |
| Occupation             | Professional                                                                                                                                                                                                                                                                   |
| Nationality            | Indian                                                                                                                                                                                                                                                                         |
| Date of Appointment    | December 03, 2020                                                                                                                                                                                                                                                              |
| Date of re-designation | December 15, 2020                                                                                                                                                                                                                                                              |
| Other Directorships    | Niket Farm Private Limited<br>All-In-One Shoppy Private Limited<br>Rudransh Infra-Projects Private Limited<br>RHL Infra Holding Private Limited<br>Morning Glory Infra Limited<br>Viyom Farmland Private Limited<br>Club Lime Facilities Private Limited<br>Ritu Malls Limited |

## BRIEF PROFILE OF OUR DIRECTORS

### MR. CHARITRA MAHESHWARI

Mr. Charitra Maheshwari, aged 44 years, is Managing Director of the Company. He is associated with our Company since 2013 and in 2017 he was appointed as Managing Director of the Company for the period of 5 years. He holds Bachelors' degree in Arts from Kanpur University. He has an experience of more than 26 years in the business with respect to logistics, sales, marketing, finance and strategy. He is a results driven, self-motivated and resourceful managing director with a proven ability to develop and strengthen management teams in order to maximize company profitability and efficiency. He is possessing excellent communication skills and able to establish sustainable and profitable relationships with customers, suppliers and stakeholders across the country.MR.

### MR. GAURAV AGARWAL

Mr. Gaurav Agarwal, aged 40 Years is Executive Director of our Company and has been associated with our Company since 2014. He holds Masters' degree in Business Administration from The Global Open University. He has good Project management skills and looks after the overall project business in southern part of India. His core skill is to manage business with Japanese clients as well. Efficient to lead the team, he has experience of 17 Years in this business. He is also responsible to establish teams & networks in challenging terrains for the expansion of company overall.

### MR. ABHIJEET BANERJEE

Mr. Abhijeet Banerjee, aged 50 Years is Executive Director of the Company and has been associated with our Company since 2013. He holds Bachelors' degree in Commerce from University of Delhi. He has a rich experience of more than 31 years in architectural paint segment & project management. He has professional experience and significant executive leadership accomplishments in business. He has strong skills and a natural affinity for cultivating relationships and persuading, convening, facilitating, and building consensus among diverse individuals. He is instrumental for all quality management on projects of the company.

#### **MS. ASHA MITTAL**

Ms. Mittal, aged 31 Years is a Non-Executive Independent Director of our company and associated with our Company since 2020. She holds Bachelors' degree in Commerce from University of Delhi, Masters' degree in Commerce from IGNOU, Bachelors' degree in Law from CCS University and she is associate member of the Institute of Company Secretaries of India. She has 8 years of experience in the secretarial and legal functions. Prior to joining our company, she was associated with Mohindra Fasteners Limited (Listed Company), Raghunath Group of Companies as Company Secretary. She currently holds the position of Senior Secretarial Executive to Jubilant Group.

#### **MR. PRADEEP SRIVASTAVA**

Mr. Srivastava, aged 37 Years is a Non-Executive Independent Director of our company and associated with our Company since 2020. He holds Bachelors' degree in Science from D.D.U Gorakhpur University. He has more than 10 years of experience in the secretarial and corporate laws. Earlier he was associated with Raghunath International Limited (listed Company). He currently holds the position of Senior Executive Secretarial in a listed company.

#### **MR. INDERPAL SINGH**

Mr. Singh, aged 50 Years is a Non-Executive Independent Director of our Company and associated with our company since 2020. He holds Bachelors' degree in Architecture from University of Rajasthan. He is a well known Architect and has vast 25 years of experience in Architectural works pertaining to designing of Office Complexes, Bank buildings, Guest Houses, Hospitals, Factories and Interiors etc.

#### **MR. ASHISH KUMAR TIWARI**

Mr. Ashish Kumar Tiwari, aged 46 Years is a Non-Executive Independent Director of the company and associated with our company since 2020. He holds Bachelors' degree and Masters' degree in Science from University of Kanpur, Bachelors' degree in Law from Chhatrapati Shahu Ji Maharaj University Kanpur and he is associate member of the Institute of Company Secretaries of India. He has 20 years of experience in the secretarial and legal functions. Prior he was associated with GeoEnpro Petroleum Limited, Lohia Corp Limited and RTCL Limited of Companies as Sr. Manager Legal and Company Secretary. He worked with Morning Glory Infra Limited as Company Secretary and Heal legal.

#### **RELATIONSHIP BETWEEN THE DIRECTORS AND RELATIONSHIP BETWEEN ANY OF THE DIRECTOR AND KEY MANAGERIAL PERSONNEL**

None of our Directors are related to each other or to any key managerial personnel.

#### **ARRANGEMENT AND UNDERTANDING WITH MAJOR SHAREHOLDERS, CUSTOMERS, SUPPLIERS & OTHERS**

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Directors was selected as director or member of senior management as on date of draft prospectus.

## APPOINTMENT OF RELATIVES OF OUR DIRECTORS TO ANY OFFICE OR PLACE OF PROFIT

Other than as disclosed in this Draft Prospectus, none of the relatives of our directors currently hold any office or place of profit in our Company.

## SERVICE CONTRACTS

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed although their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of employment.

## BORROWING POWERS OF THE BOARD OF DIRECTORS

The shareholders of the Company, through a special resolution passed at the Extra-ordinary General Meeting held on September 30, 2014 authorized our Board to borrow monies, which together with monies already borrowed by Company (apart from temporary loans obtained or to be obtained from Company's banker in ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves, not set apart for any specific purpose, provided that the total outstanding amounts so borrowed shall not at any time exceed the limit of Rs 15 Crore .

## COMPENSATION AND BENEFITS TO THE CHAIRMAN AND MANAGING DIRECTOR AND WHOLE TIME DIRECTOR ARE AS FOLLOWS

| Name                                                             | Mr. Charitra Maheshwari | Mr. Gaurav Agarwal   | Mr. Abhijeet Banerjee | Mr. Manvendra Pratap Singh |
|------------------------------------------------------------------|-------------------------|----------------------|-----------------------|----------------------------|
| Designation                                                      | Managing Director       | Director (Executive) | Director(Executive)   | Director(Executive)        |
| Date of Appointment                                              | July 01, 2017           | April 07, 2014       | May 10, 2013          | August 01, 2017            |
| Period                                                           | 5 Years                 | Retire by rotation   | Retire by rotation    | Retire by rotation         |
| Remuneration                                                     | 210,000/- Per Month     | 200,000/- Per Month  | 215,000/- Per Month   | 180,000/- Per Month        |
| Compensation/ remuneration paid during the F.Y. 2020 (Rs. Lakhs) | 25.20                   | 24.00                | 25.80                 | 21.60                      |

## SITTING FEES PAYABLE TO NON-EXECUTIVE DIRECTORS

Till date, our Company has not paid any sitting fees to any of the Non-Executive Directors for attending any of the Board or Committee Meetings. At present, our company has not proposed any payment of sitting

fees to our non-executive directors. However, we may decide to pay sitting fees later on in the manner provided under Companies Act, 2013.

## SHAREHOLDING OF DIRECTORS

Except mentioned hereunder, none of our director hold shares of our Company as on the date of this Draft Prospectus is as follows:

| Sr. No. | Name of Director       | No. of equity shares<br>(Pre- issue) | As a % of Pre-issue<br>Issued<br>Capital* |
|---------|------------------------|--------------------------------------|-------------------------------------------|
| 1       | Charitra Maheshwari    | 258150                               | 11.39                                     |
| 2       | Abhijeet Banerjee      | 100000                               | 4.41                                      |
| 3       | Gaurav Agarwal         | 70100                                | 3.09                                      |
| 4       | Manvendra Pratap Singh | 5500                                 | 0.24                                      |

## INTEREST OF DIRECTORS

All the non-executive directors of the company may be deemed to be interested to the extent of fees, payable to them for attending meetings of the Board or Committee if any as well as to the extent of other remuneration and/or reimbursement of expenses payable to them as per the applicable laws.

The directors may be regarded as interested in the shares and dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as directors, members, partners and or trustees. All directors may be deemed to be interested in the contracts, agreements/arrangements to be entered into by the issuer company with any company in which they hold directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

Except as stated under “Annexure – O” – Restated Statement of Related Party Transaction” of this Draft Prospectus under the chapter titled “*Financial Information*” beginning on page no. 156, our company has not entered into any contracts, agreements or arrangements during the preceding two years from the date of the Draft Prospectus in which our directors are interested directly or indirectly.

## DIRECTOR’S ASSOCIATION WITH THE SECURITIES MARKET

We confirm that none of our directors are associated with the securities market.

## CONFIRMATION

As on the date of the Draft Prospectus;

- A. None of the above mentioned Directors are on the RBI List of willful defaulters.
- B. None of the Promoter, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred from accessing the capital market by SEBI.

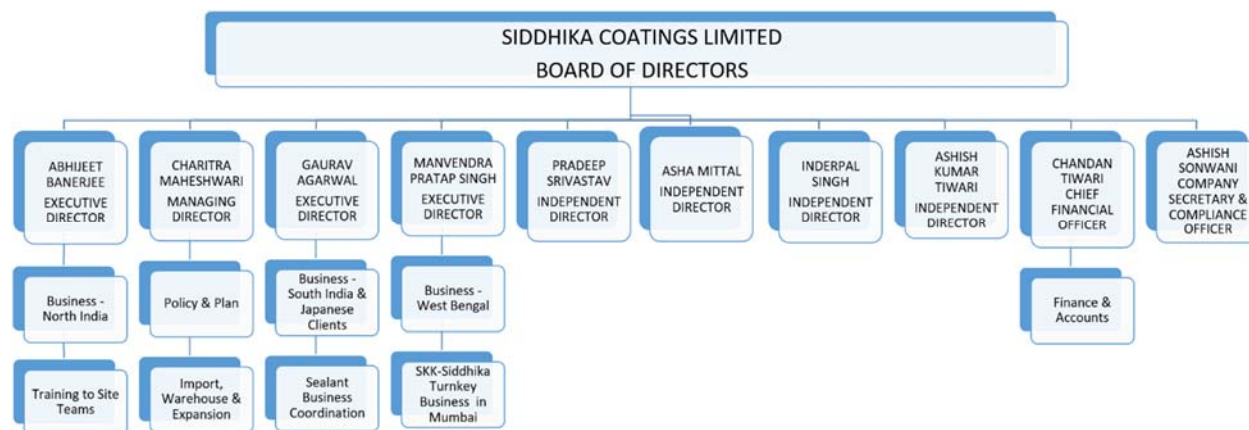
- C. None of the Promoter, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- D. None of our Directors are/were director of any company whose shares were delisted from any stock exchange(s) up to the date of filling of this Draft Prospectus.
- E. None of Promoter or Directors of our Company are a fugitive economic offender.
- F. None of our Directors are/were director of any company whose shares were suspended from trading by stock exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five years.
- G. In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence.
- H. None of our Directors are/were director of any company which has been/were delisted from the stock exchange, during his/her tenure.

#### CHANGES IN THE BOARD OF DIRECTORS DURING THE LAST THREE YEARS

| Name of Director        | Date of Event     | Nature of Event | Reason for the change in board                    |
|-------------------------|-------------------|-----------------|---------------------------------------------------|
| Mr. Charitra Maheshwari | July 01, 2017     | Re-designation  | Re-designated as Managing Director                |
| Mr. Pradeep Srivastava  | February 20, 2020 | Appointment     | Appointment as an Additional Independent Director |
| Ms. Asha Mittal         | March 20, 2020    | Appointment     | Appointment as an Additional Director             |
| Mr. Inderpal Singh      | February 05, 2020 | Appointment     | Appointment as an Additional Independent Director |
| Mr. Akhand Pratap Singh | February 05, 2020 | Appointment     | Appointment as an Additional Independent Director |
| Mr. Akhand Pratap Singh | December 03, 2020 | Resignation     | Resignation of an Additional Independent Director |
| Mr. Ashish Kumar Tiwari | December 03, 2020 | Appointment     | Appointment as an Additional Independent Director |
| Mr. Pradeep Srivastava  | December 15, 2020 | Re-designation  | Re-designation as Independent Director            |
| Ms. Asha Mittal         | December 15, 2020 | Re-designation  | Re-designation as Independent Director            |
| Mr. Inderpal Singh      | December 15, 2020 | Re-designation  | Re-designation as Independent Director            |
| Mr. Ashish Kumar Tiwari | December 15, 2020 | Re-designation  | Re-designation as Independent Director            |

## MANAGEMENT ORGANIZATION STRUCTURE

The Management Organization Structure of the company is depicted from the following chart;



## CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges.

As on date of this Draft Prospectus, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018. Although we are required to comply with requirement of the Companies Act, 2013 wherever applicable. In spite of certain regulations and schedules of SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 is not applicable to our Company, our Company endeavors to comply with the good Corporate Governance.

Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors including woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

### Composition of Board of Directors

Currently the Board has 8 (Eight) Directors. In compliance with the requirements of Companies Act, 2013 & Regulation 17 of the SEBI LODR Regulations, our Company has 4 (Four) Executive Directors and 4 (Four) Independent Directors, one of whom is also the Chairman of our Company on our Board.

## Constitution of Committees

Our company has constituted the following Committees of the Board;

1. **Audit Committee;**
2. **Stakeholders Relationship Committee; and**
3. **Nomination and Remuneration Committee.**

Details of composition, terms of reference etc. of each of the above committees are provided hereunder;

### 1. Audit Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 177 of the Companies Act, 2013, and SEBI LODR Regulations. Board Meeting held on December 03, 2020, constituted an Audit Committee.

The constitution of the Audit Committee is as follows:

| Name of Director        | Designation | Nature of Directorship             |
|-------------------------|-------------|------------------------------------|
| Mr. Pradeep Srivastava  | Chairperson | Non-Executive Independent Director |
| Mr. Inderpal Singh      | Member      | Non-Executive Independent Director |
| Mr. Charitra Maheshwari | Member      | Managing Director                  |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

## Terms of Reference

The Role of Audit Committee not limited to but includes:-

- a) Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- d) Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- e) Reviewing, with the management, the half yearly financial statements before submission to the board for approval
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes

other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;
- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- m) 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.
- n) Discussion with internal auditors any significant findings and follow up there on.
- o) 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.
- p) 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.
- q) 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.
- r) To review the functioning of the Whistle Blower mechanism.
- s) 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.
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

### **Review of 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 recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee..

### **Powers of Committee**

- i. To investigate any activity within its terms of reference
- ii. To seek information from any employee
- iii. To obtain outside legal or other professional advice
- iv. To secure attendance of outsiders with relevant expertise if it considers necessary
- v. The audit committee may invite such of the executives, as it considers appropriate (and particularly

the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal auditor.

## Quorum and Meetings

The audit committee shall meet as and when require to discuss and approve the items included in its role. The quorum of the meeting of the Audit Committee shall be one third of total members of the Audit Committee or 2, whichever is higher.

## 2. Stakeholders Relationship Committee

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on December 03, 2020, constituted Stakeholders Relationship Committee.

The constitution of the Stakeholders Relationship Committee is as follows:

| Name of Director       | Designation | Nature of Directorship             |
|------------------------|-------------|------------------------------------|
| Mr. Pradeep Srivastava | Chairperson | Non-Executive Independent Director |
| Mr. Inderpal Singh     | Member      | Non-Executive Independent Director |
| Mr. Gaurav Agarwal     | Member      | Director                           |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

## Terms of Reference

To supervise and ensure;

1. Allotment and listing of our shares in future
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

## Quorum and Meetings

The Stakeholders Relationship Committee shall meet as and when require to discuss and approve the items included in its role. The quorum shall be one third of total members of the Stakeholders Relationship Committee or 2 members, whichever is higher.

### 3. Nomination and Remuneration Committee:

The Board of Directors of our Company has, in pursuance to provisions of Section 178 of the Companies Act, 2013, or any subsequent modification(s) or amendment(s) thereof in its Meeting held on December 03, 2020, constituted Nomination and Remuneration Committee.

The constitution of the Nomination and Remuneration Committee is as follows:

| Name of Director       | Designation | Nature of Directorship             |
|------------------------|-------------|------------------------------------|
| Mr. Inderpal Singh     | Chairperson | Non-Executive Independent Director |
| Mr. Pradeep Srivastava | Member      | Non-Executive Independent Director |
| Mrs. Asha Mittal       | Member      | Non-Executive Independent Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### Terms of reference

#### Role of Nomination and Remuneration Committee not limited to but includes:-

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. 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 of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

#### Quorum and Meetings

The Committee is required to meet at least once a year. The quorum necessary for a meeting of the Nomination and Remuneration Committee is one third of total members of the Nomination and Remuneration Committee or 2 members, whichever is higher.

**OUR KEY MANAGEMENT PERSONNEL (KMP)**

The Key Managerial Personnel of our Company are as follows:-

|                                                                                  |                                                                                                                                              |                                                             |                                                                               |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Name</b>                                                                      | Mr. Charitra Maheshwari                                                                                                                      | Mr. Chandan Tiwari                                          | Mr. Ashish Kumar Sonwani                                                      |
| <b>Designation</b>                                                               | Managing Director                                                                                                                            | Chief Financial Officer                                     | Company Secretary & Compliance Officer                                        |
| <b>Original Date of Joining</b>                                                  | October 09, 2013                                                                                                                             | March 05, 2020                                              | January 02, 2021                                                              |
| <b>Qualification</b>                                                             | B.A.                                                                                                                                         | B.Com                                                       | B.Com & CS                                                                    |
| <b>Term of office with date of expiration of term</b>                            | June 06, 2022 (5 years from July 01, 2017)                                                                                                   | N.A.                                                        | N.A.                                                                          |
| <b>Details of Service Contract</b>                                               | N.A.                                                                                                                                         | N.A.                                                        | N.A.                                                                          |
| <b>Details of previous employments</b>                                           | Siddhika Specialty Coatings<br>Siddhika Devmark Pvt. Ltd.<br>Rathi Textures & Decors<br>Sunil Freight Carriers<br>Rathi Road Lines Pvt. Ltd. | Mount Shivalik Industries Ltd.<br>Harpreet Motors Pvt. Ltd. | Jagat Trading Enterprises Limited                                             |
| <b>Past business Experience (No. of Years)</b>                                   | 26 Years                                                                                                                                     | 17 Years                                                    | 2 Years                                                                       |
| <b>Functional Responsibilities and area of experience</b>                        | Looking over all marketing related activities, targeting potential clients and operations of the Company                                     | Experience in the filed of Accounts & Audit work.           | Looking over and ensuring compliance of the Company with all applicable laws. |
| <b>Relationship with other KMP</b>                                               | NIL                                                                                                                                          | NIL                                                         | NIL                                                                           |
| <b>Compensation /remuneration paid to the KMP during the Financial Year 2020</b> | 25,20,000/-                                                                                                                                  | 6,02,000/-                                                  | NIL                                                                           |
| <b>Status of each KMP (Permanent employee or otherwise)</b>                      | Permanent                                                                                                                                    | Permanent                                                   | Permanent                                                                     |
| <b>Shareholding of the KMP</b>                                                   | 258150                                                                                                                                       | NIL                                                         | NIL                                                                           |

**Notes:**

- There is no arrangement / understanding with major shareholders, customers, suppliers or others pursuant to which any of the above mentioned key managerial personnel have been selected as key managerial personnel.
- None of our Key Managerial Personnel has been granted any payment or benefits of any kind from our Company, other than their remuneration in the last two years.
- None of our Key Managerial Personnel has entered into any formal service contracts with our company; although they are abide by their terms of appointments and remuneration and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company as per the terms of appointment and remuneration.
- Except as mentioned above, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus

**BONUS OR PROFIT SHARING PLAN FOR THE KEY MANAGEMENT PERSONNEL**

Currently, our Company does not have any bonus or profit sharing plan for our Key Managerial personnel. In future, Discretionary bonus may be paid as may be decided by Nomination and Remuneration Committee/Board of Directors, depending upon the performance of the Key Managerial Personnel, working of the Company and other relevant factors subject to Maximum of annual salary within the limits laid down under Para A of Section II of Part II of Schedule V of the Companies Act, 2013.

**CHANGES IN THE KEY MANAGEMENT PERSONNEL**

The following are the changes in the Key Management Personnel in the last three years preceding the date of filing this Draft Prospectus, otherwise than by way of retirement in due course.

| Name of Key Managerial Personnel | Date of Event    | Nature of Event       | Reason for the changes in the board                 |
|----------------------------------|------------------|-----------------------|-----------------------------------------------------|
| Mr. Charitra Maheshwari          | July 07, 2017    | Change in Designation | Re-Designated as Managing Director                  |
| Mr. Chandan Tiwari               | March 05, 2020   | Appointment           | Appointed as CFO                                    |
| Mr. Ashish Kumar Sonwani         | January 02, 2021 | Appointment           | Appointed as Company Secretary & Compliance officer |

**EMPLOYEE STOCK OPTION SCHEME**

As on the date of filing of Draft Prospectus, our company does not have any ESOP Scheme for its employees.

**PAYMENT OF BENEFIT TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except the statutory payments made by our Company, in the last two years, our company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/ rewards and has not paid any non-salary amount or benefit to any of its officers. Additionally, as on the date of this Draft Prospectus we do not intend to pay or give to any officer any payment or benefit and consideration for payment of giving of the benefit

## OUR PROMOTER AND PROMOTER GROUP

Siddhika Business Applications Private Limited (“SBAPL”) is the Promoter of our Company. As on date of this Draft Prospectus, our Promoter holds 14,50,000 Equity Shares representing 64% of the issued, subscribed and paid-up Equity Share capital of our Company.

For details of the build-up of our Promoter’s shareholding in our Company, please refer to the chapter titled “Capital Structure” beginning on page 66 of this Draft Prospectus.

### BRIEF PROFILE OF OUR CORPORATE PROMOTER

#### Siddhika Business Applications Private Limited (“SBAPL”)

##### *a. Corporate Information and History:*

SBAPL was incorporated on August 05, 2010 as a private limited company under the Companies Act, 1956 and Registrar of Companies, Delhi and Haryana. It has its registered office at 53-D Pocket A DDA Flats, South Delhi, Sukhdev Vihar, Delhi- 110025, India. The CIN of SBAPL is U74140DL2010PTC206731.

##### *Present Activities/ Nature of Business:*

Siddhika Business Applications is engaged in the business to provide business solutions to all business entities and to act as consultants and/or adviser on all matters and problems relating to administration, management, organisation, HR, training of personnel, recruitment, placement, accounts, finance, taxation, and manufacture, production, storage, process, system, marketing, distributing, etc

##### *Change in Activity:*

There has been no change in the business of SBAPL since its incorporation.

##### *b. Shareholding:*

| Name of Shareholders                                   | No. of Shares | Percentage (%) |
|--------------------------------------------------------|---------------|----------------|
| Rashi Maheshwari                                       | 30,000        | 20.00%         |
| Charitra Maheshwari                                    | 1,15,000      | 76.67%         |
| Siddhika Consulting and Investment OPC Private Limited | 5,000         | 3.33%          |

##### *c. Board of directors:*

| Name of Director    | DIN      |
|---------------------|----------|
| Rashi Maheshwari    | 03052686 |
| Charitra Maheshwari | 03055689 |

**d. Details of change in control:**

There has been no change in the control of SBAPL in the last three (3) years preceding the date of this Draft Prospectus.

**DECLARATION**

Our Company declares and confirms that the PAN, bank account numbers, company registration number, and the address of the RoC where SBAPL's registered office is situated, shall be submitted at the time of filing of this Draft Prospectus with the Stock Exchange.

Our Promoter and Promoter Group will continue to hold the majority of the post-issue paid-up equity share capital of our Company.

**RELATIONSHIP OF PROMOTER OF PROMOTER WITH THE COMPANY & EXPERIENCE IN THE BUSINESS OF OUR COMPANY**

The Promoter of our Promoter is Mr. Charitra Maheshwari, who is also the Managing Director of our Company as well as a member of the Promoter Group of our Company. He has an experience of more than 26 years in the business with respect to logistics, sales, marketing, finance and strategy. His optimal communication skills enable our Company to establish sustainable and profitable relationships with customers, suppliers and stakeholders across the country.

The business of our Company is managed by the Promoter of our Promoter alongwith assistance of a team of qualified professionals and Directors of our management, who collectively manage the operations of our Company.

For details in relation to experience of our Management in the business of our Company, see "Our Management" beginning on page 132 of this Draft Prospectus.

**INTEREST OF OUR PROMOTER**

**Interest in the promotion of our Company**

Our Promoter may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by it as well as that of its Promoters and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, our Promoter may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which it is interested as a member.

**Interest in the property of our Company**

Our Promoter nor Promoter group have any interest in any of our property, whether leased, owned or occupied till the date of this Draft prospectus.

**Interest as Member of our Company**

As on the date of this Draft Prospectus, our Promoter and Promoter Group collectively hold 18,95,150 Equity Shares of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter and Promoter Group members in our Company and benefits of Promoter Group members as Directors, our Promoter and Promoter Group members do not hold any other interest in our Company.

Also see chapter titled “*Our Management*” on page 132 of this Draft Prospectus.

## PAYMENT OF BENEFITS TO OUR PROMOTER

No payment has been made or benefit given to our Promoter in the two (2) years preceding the date of this Draft Prospectus except as mentioned/ referred to in this chapter and in the chapters titled “*Financial Information*”- ‘*Related Party Transactions*’ and “*Capital Structure*” beginning on page 156 and 66 respectively of this Draft Prospectus. Further, as on the date of this Draft Prospectus, there is no bonus or profit-sharing plan for our Promoter.

### **Dissociation of Promoter in the last three (3) years:**

Our Promoter has not disassociated itself from any Company during the preceding three years.

### **Details of Material Guarantee**

Our Promoter has not given any material guarantees to any third party with respect to the equity shares of our Company.

### **Change in the Control of our Company**

Our Promoter is not the original promoter of our Company. SBAPL became a shareholder of the Company by acquiring equity shares on January 20, 2011 by way of Fresh Issue. For further details, see “*Capital Structure*” on page 66 of this Draft Prospectus. There has not been any change in the management or control of our Company during the last five years preceding the date of this Draft Prospectus.

### **Litigation Involving Our Promoter**

For details relating to legal and regulatory proceedings involving the Promoter, please refer to the chapter titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 210 of this Draft Prospectus.

## OUR PROMOTER GROUP

In addition to our Promoter, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the ICDR Regulations are set out below:

### **a) *Natural persons who are part of the Promoter Group:***

1. Mr. Charitra Maheshwari
2. Mrs. Rashi Maheshwari

**b) Bodies corporate / Entities forming part of the Promoter Group**

1. Charitra Maheshwari H.U.F.
2. Siddhika Consulting and Investment OPC Private Limited
3. Siddhika Foundation Trust
4. AB Coatings Pvt. Ltd. (*Subsidiary*)

For further details on our Group Companies refer chapter titled “*Our Group Companies*” beginning on page 151 of this Draft Prospectus.

**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, see chapter titled “*Capital Structure*” on page 66 of this Draft Prospectus.

**Interest of Promoter Group Members**

In addition to their interest in Equity Shares of the Company held by them, certain promoter group members, being Directors may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association and to the extent of remuneration, if any, paid for services rendered as an officer or employee of our Company as stated in chapter titled “*Our Management*” on page 132 of this Draft Prospectus.

**CONFIRMATIONS**

Our Promoter, members of our Promoter Group, Promoter Group entities/ companies confirm that:

- They have not been debarred or prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed for any reasons by the SEBI or any other authority or governmental authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad;
- They have not been declared as a Fugitive Economic Offender under Section 12 of Fugitive Economic Offenders Act, 2018;
- They are not a promoters, directors or person in control of any other company which is debarred or prohibited from accessing or operating in the capital market under any order or directions made by the SEBI or any other regulatory or governmental authority;
- They have not been identified as a wilful defaulter by RBI or any other Government authority; and
- There are no violations of securities laws committed by them in the past or any such proceedings are pending against them.
- Except as disclosed in section titled ‘*Outstanding Litigations and Material Developments*’ beginning on page 210 of this Draft Prospectus, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last 5 years preceding the date of the Issue against our Promoter.
- Except as disclosed in section titled ‘*Financial Information*’ beginning on page 140 of this Draft Prospectus, we are not related to any of the sundry debtors or are not beneficiary of Loans and Advances given by/to our Company.

## OUR GROUP COMPANIES

Pursuant to a resolution of our Board dated January 12, 2021, in accordance with the SEBI (ICDR) Regulations, 2018 and for the purpose of disclosure in the Draft Prospectus/ Prospectus (“Offer Document”) in connection to this Issue, Group Companies of our Company shall include: (i) those companies (other than our Promoter and Subsidiary) with which there were related party transactions as per the Restated Financial Statements of our Company as at and for the six months ended September 30, 2020 and in any of the last three financial years; and (ii) such other company as considered material by our Board.

Accordingly, based on the parameters outlined above, the following Companies are identified as our Group Companies:

1. Siddhika Energy Private Limited
2. Siddhika Consulting and Investment OPC Private Limited

The details of our Group Companies are provided below:

### 1. Siddhika Energy Private Limited (SEPL)

#### Corporate Information

SEPL was incorporated on February 10, 2016 under the Companies Act, 2013. The CIN of SEPL is U51109DL2016PTC290911. The Registered Office is situated at 983 B, Gali No 9, Govindpuri Kalkaji, South Delhi, New Delhi - 110019.

#### Nature of business as per Memorandum of Association

The main objects of SEPL include, *inter alia* to carry on the business of electrical engineers and manufacturing, assembling, altering, exchanging, buying, selling, importing exporting, and otherwise dealing in electrical goods and instruments, electronic and audio-visual goods, electrical machinery, equipment and apparatus and sanitary fittings.

#### Financial Information

The financial results derived from the Audited Financial Statements for Fiscals 2020, 2019, and 2018 are set forth below:

(₹ in lakhs except per share data)

| Particulars                                      | As at March,<br>31 |       |       |
|--------------------------------------------------|--------------------|-------|-------|
|                                                  | 2020               | 2019  | 2018  |
| Equity Capital                                   | 9.00               | 9.00  | 9.00  |
| Reserves and Surplus                             | 4.62               | 3.98  | 4.45  |
| Net worth                                        | 13.62              | 12.98 | 13.45 |
| Total Revenue (including other income)           | 22.01              | 29.59 | 71.36 |
| Profit/ (Loss) after tax                         | 0.66               | 0.05  | 2.92  |
| Earnings per share (₹) (face value of ₹ 10 each) | 0.74               | 0.05  | 3.24  |
| Net asset value per share (₹)                    | 15.13              | 14.42 | 14.94 |

There are no significant notes by the auditors of SEPL in relation to the above mentioned financial statements for the specified last three audited Fiscals.

## 2. Siddhika Consulting and Investment OPC Private Limited (SCIOPL)

### Corporate Information

SCIOPL was incorporated on November 19, 2015 under the Companies Act, 2013. The CIN of SCIOPL is U74900DL2015OPC287299. The Registered Office is situated at House No 53-D, Pocket A, DDA Flats, Sukhdev Vihar, Delhi – 110025.

### Nature of business

The main objects of SEPL include, *inter alia* to carry on the business of investment trust company, financial consultants, management consultants and investment managers.

### Financial Information

The financial results derived from the Audited Financial Statements for Fiscals 2020, 2019, and 2018 are set forth below:

(₹ in lakhs)

| Particulars                                  | As at March, 31 |       |       |
|----------------------------------------------|-----------------|-------|-------|
|                                              | 2020            | 2019  | 2018  |
| Equity Capital                               | 25.00           | 12.00 | 12.00 |
| Reserves and Surplus                         | 4.94            | 0.82  | 0.66  |
| Net worth                                    | 29.94           | 12.82 | 12.66 |
| Total Revenue (including other income)       | 6.23            | 1.47  | 5.45  |
| Profit/ (Loss) after tax                     | 2.20            | 0.74  | 0.46  |
| Earnings per share (face value of ₹ 10 each) | 1.38            | 0.62  | 0.38  |
| Net asset value per share (₹)                | 11.98           | 10.68 | 10.55 |

There are no significant notes by the auditors of SCIOPL in relation to the above mentioned financial statements for the specified last three audited Fiscals.

### Material Litigations

There has been no material litigation arises in the Group Companies, which may have a material impact on our Company. For further details, please refer the chapter “*Outstanding Litigation and Material Developments*” on page no. 201 of this Draft Prospectus.

### Significant Adverse Factors Related to the Group Companies

- None of our Group Companies has become a sick company under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
- None of our Group Companies are under winding up/insolvency proceedings.
- None of our Group Companies have made a loss in the immediately preceding year.

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**Defunct Group Companies**

During the five years immediately preceding the date of the Draft Prospectus, our Group Companies have not remained defunct and no application has been made to the relevant Registrar of Companies for striking off their names.

**Nature and extent of interest of our Group Companies****a) Interest in our Company**

Except as disclosed in 'Related Party Transactions' in the section "Financial Statements" and "Our Promoter and Promoter Group" beginning on pages 156 and 147, respectively, none of our Group Companies have any interest in the promotion or any business or other interests in our Company. For further details in relation to the shareholding of our Group Companies in our Company, refer to "Capital Structure" beginning on page 66.

**b) Interest in the properties acquired or proposed to be acquired by our Company**

Our Group Companies have no interest in any property acquired by our Company in the two years preceding the filing of this Draft Prospectus or proposed to be acquired by the Company as of the date of this Draft Prospectus.

**c) Interest in transactions for acquisition of land, construction of building and supply of machinery**

Our Group Companies have no interest in the transactions for acquisition of land, construction of building and supply of machinery or any other contracts, agreements or arrangements 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 by our Company to its Group Companies.

**Common Pursuits**

Except that of our subsidiary, AB Coatings Private Limited (ABCPL), none of our Group Companies or Associates are engaged in activities similar to that of our Company. Our Company sells products to ABCPL who in turn resells such products to its customers. Since ABCPL is a wholly-owned subsidiary of our Company, we believe that there is no conflict of interest. However, we shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

As on the date of this Draft Prospectus, we cannot assure that our Promoter, Promoter Group, Group Entities/ Companies will not promote any new entity in the similar line of business and will not favor the interests of the said entities over our interest or that the said entities will not expand their businesses which may increase our chances of facing competition. This may adversely affect our business operations and financial condition of our Company.

For further details, please refer to the section titled "*Financial Information*" and "*Risk Factors*" beginning on page no. 156 and 29 of this Draft Prospectus.

**Related Business Transactions and Significance on the Financial Performance**

Except as disclosed in this chapter and under the head ‘Related Party Transactions’ under chapter titled “*Financial Statements*” beginning on page no. 156 of this Draft Prospectus, there are no material related business transactions which have a significance on the financial performance of the Company.

**Business Interests or Other Interests**

Except our Subsidiary, ABCPL, none of the group companies/ associate companies have business interests in our Company.

The amount of commercial business interest that ABCPL has had with our Company in the last three financial years as certified by our Auditor, M/s. VCAN & Co, Chartered Accountants dated February 05, 2021, on the basis of our Company’s audited financials is as follows:

(Rs. In Lakhs)

| Particulars       | FY 2019-20 | FY 2018-19 | FY 2017-18 |
|-------------------|------------|------------|------------|
| Sale              | 70.73      | 94.58      | 88.25      |
| Freight & Cartage | 1.62       | -          | -          |
| Rent Received     | 0.60       | 0.60       | 0.60       |

Except as disclosed above and in chapter titled “*Financial Statements*” on page no. 156 of this Draft Prospectus, our Subsidiary/ Group Companies/ Associate Companies have no business interests in our Company.

**Other Confirmations**

Our Group Companies does not have any securities listed on any Stock Exchange. Further, our Group Companies 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.

Further, neither have any of the securities of our Company or our Group Companies been refused listing by any stock exchange in India or abroad, nor has our Company or our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad.

## DIVIDEND POLICY

Under the Companies Act, 2013, our Company can pay dividends upon a recommendation by our Board of Directors and approval by the shareholders at the General Meeting. The shareholders of our 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.

In accordance with Schedule III of the Companies Act, our Company has declared dividend in the Financial Year 2019-20, FY 2018-19 and FY 2017-18, details of which are as below:

(Rs. In Lakhs)

| Particulars                           | For The Year Ended March 31 |            |            |
|---------------------------------------|-----------------------------|------------|------------|
|                                       | 2020                        | 2019       | 2018       |
| Equity Share Capital                  | 226.55                      | 22.65      | 22.65      |
| Face Value of Equity Shares           | 10.00                       | 10.00      | 10.00      |
| Interim Dividend                      | 0                           | 0          | 0          |
| Final Dividend                        | 45.31                       | 33.98      | 28.31      |
| Total Dividend                        | 45.31                       | 33.98      | 28.31      |
| Total Dividend Distribution Tax (DDT) | 9.31                        | 6.98       | 5.76       |
| Rate of Dividend (%)                  | 20                          | 150        | 125        |
| Total Dividend (per share)            | 2.00                        | 15.00      | 12.5       |
| Mode of Dividend                      | Electronic                  | Electronic | Electronic |

The amount distributed as dividends in the past are not necessarily indicative of our dividend amounts, if any, or our dividend policy, in the future. For further details, please refer section titled “*Risk Factors*” on page 29 of this Draft Prospectus. There is no guarantee that any dividends will be declared or paid or that the amount thereof will not decrease in the future.

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions and other factors considered relevant by our Board of Directors.

## SECTION VII – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

#### INDEPENDENT AUDITOR’S REPORT ON RESTATED CONSOLIDATED FINANCIALS STATEMENTS

(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
The Board of Directors,  
**Siddhika Coatings Limited,**  
L-9, Lower Ground Floor,  
Kalkaji, New Delhi – 110019, India

Dear Sir,

#### 1. Report on Restated Consolidated Financial Statements

We have examined the Restated Consolidated Financial Statements of **Siddhika Coatings Limited** (*hereinafter referred as “the Company”*), which comprise of the Restated Consolidated Summary Statement of Assets and Liabilities as on September 30, 2020, and Financial Year Ended March 31, 2020, 2019 and 2018, The Restated Consolidated Summary Statements of Profits and Loss and the Restated Consolidated Summary Statement of Cash Flows for the Period ended on September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared by the management of the company in terms of the requirements of:

- (i) Section 26 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the “Act”) and
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“the Regulation”) (“SEBI ICDR Regulations”) issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto from time to time;
  - (iii) The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform (“IPO” or “SME IPO”); and
  - (iv) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI (“The Guidance Note”)
2. The Restated Consolidated Summary Statements and Consolidated Financial information of the Company have been compiled by the management from the Consolidated Financial Statements of the Company, for the Period ended on September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018 which have been approved by the Board of Directors.

3. Consolidated Financial Statements for the period ended on September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018 have been audited by M/s V. K. Garg & Co. , Chartered Accountants and accordingly, reliance has been placed on the financial information examined by them. We have examined the books of account underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of Schedule III of the Act.
4. We have carried out review and re-audit of the Consolidated financial statements for the period ended on September 30, 2020 and financial year ended on March 31, 2020, as required under SEBI regulations.
5. The Consolidated Restated Summary financial Statements and Other Financial Information have been prepared by the Company and approved by the Board of Directors of the Company.

6. **Financial Information as per Consolidated Audited Financial Statements:**

1) We have examined:

- a) The attached **Restated Consolidated Statement of Assets and Liabilities** of the company, as at September 30, 2020, and as at financial year ended on March 31, 2020, 2019 and 2018. (**Annexure I**);
- b) The attached **Restated Consolidated Statement of Profits and Losses** of the Company for the Period ended on September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018. (**Annexure II**);
- c) The attached **Restated Consolidated Statement of Cash Flows** of the Company for period ended on September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018. (**Annexure III**);
- d) The Significant Accounting Policies adopted by the Company and notes to the **Restated Consolidated Financial Statements** along with adjustments on account of audit qualifications / adjustments / regroupings. (**Annexure IV**);

(Collectively hereinafter referred as “**Restated Consolidated Financial Statements**” or “**Restated Consolidated Summary Statements**”)

- 2) In accordance with the requirements of Act, SEBI ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:
  - (i) The “**Restated Consolidated Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at September 30, 2020, and as at financial year ended on March 31, 2020, 2019 and 2018 are prepared by the Company and approved by the Board of Directors. This Consolidated Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Summary Statements as set out in **Annexure IV** to this Report.

- (ii) The “**Restated Consolidated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for period ended September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018 are prepared by the Company and approved by the Board of Directors. This Consolidated Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Summary Statements as set out in **Annexure IV** to this Report.
- (iii) The “**Restated Consolidated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for period ended September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Consolidated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and auditor’s report thereon which have been prepared by Statutory Auditor of the Company for the Period ended September 30, 2020, and financial year ended on March 31, 2020, 2019 and 2018, we are of the opinion that “**Restated Consolidated Financial Statements**” or “**Restated Consolidated Summary Statements**” have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
  - b) There are no Extra-ordinary items except as shown in the Restated Consolidated Profit & Loss Statement of that need to be disclosed separately in the Restated Consolidated Summary Statements.
  - c) Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Consolidated Summary Statements as set out in **Annexure IV** to this Report.
  - d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies in the Restated Consolidated Financial statements.
  - e) There are no revaluation reserves, which need to be disclosed separately in the “**Restated Consolidated Financial Statements**”.
  - f) The Company has not paid dividend on its equity shares during the reporting period.
7. In terms of Schedule VI of the SEBI (ICDR) Regulations, 2018 and other provisions relating to accounts, We, V C A N & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid Certificate No. 009906 dated May 18, 2017 issued by the “Peer Review Board” of the ICAI. (Validity of the Certificate has been extended by ICAI till March 31, 2021)

## 8. Other Financial Information:

- 1) We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period ended September 30, 2020, and financial years ended on March 31, 2020, March 31, 2019 and March 31, 2018.

|                                                                                                            |                 |
|------------------------------------------------------------------------------------------------------------|-----------------|
| Restated Consolidated Statement of Share Capital, Reserves And Surplus                                     | Annexure – A    |
| Restated Consolidated Statement of Long Term And Short Term Borrowings                                     | Annexure – B    |
| Statement Of Principal Terms Of Secured Loans And Assets Charged As Security                               | Annexure – B(A) |
| Restated Consolidated Statement of Deferred Tax (Assets)/Liabilities                                       | Annexure – C    |
| Restated Consolidated Statement of Trade Payables                                                          | Annexure – D    |
| Restated Consolidated Statement of Long Term Provisions, Other Current Liabilities & Short Term Provisions | Annexure – E    |
| Restated Consolidated Statement of Fixed Assets                                                            | Annexure – F    |
| Restated Consolidated Statement of Inventory                                                               | Annexure – G    |
| Restated Consolidated Statement of Trade Receivables                                                       | Annexure – H    |
| Restated Consolidated Statement of Cash & Cash Equivalents                                                 | Annexure – I    |
| Restated Consolidated Statement of Short-Term Loans And Advances                                           | Annexure – J    |
| Restated Consolidated Statement of Other Current Assets                                                    | Annexure – K    |
| Restated Consolidated Statement of Turnover                                                                | Annexure – L    |
| Restated Consolidated Statement of Other Income                                                            | Annexure – M    |
| Restated Consolidated Statement of Expenses                                                                | Annexure – N    |
| Restated Consolidated Statement of Related party transaction                                               | Annexure – O    |
| Restated Consolidated Statement of Mandatory Accounting Ratios                                             | Annexure – P    |
| Restated Consolidated Statement of Capitalization                                                          | Annexure –Q     |
| Restated Consolidated Statement of Tax Shelter                                                             | Annexure – R    |
| Restated Consolidated Statement of Contingent liabilities                                                  | Annexure – S    |

- 2) The Restated Consolidated Financial Information contain all the disclosures required by the SEBI ICDR regulations and disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
- 3) We have carried out Re-audit of the Consolidated financial statements for the Period ended 30 September, 2020, and March 31, 2020 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date for any period subsequent to September 30, 2020. Accordingly we do not express any opinion on the financials positions, results or cash flows of the Company as of any date or for any period subsequent to September 30, 2020. We have no responsibility to update our report for events and circumstances occurring after the date of the report. .
- 4) The preparation and presentation of the Consolidated Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
- 5) In our opinion, the above financial information contained in Annexure I to III and Annexure A to S of this report read along with the Restated Consolidated Statement of Significant Accounting Policies and

Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI ICDR Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India (“ICAI”) to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with you. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

- 6) Consequently, the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
- 7) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
- 8) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 9) Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

**As per our report of even date attached**

**For V C A N & CO.**

**Chartered Accountants**

**FRN: 125172W**

**Sd/-**

**CA Abhishek Jain**

**Partner**

**M.No : 0535564**

**Firm Regn.No.: 125172W**

**UDIN: 21535564AAAAAK7700**

**Date: January 16, 2021**

**Place: Delhi**

**Annexure I**  
**RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**  
**(Rs. in Lakh)**

| PARTICULARS                        | As at             | As at 31st March |                |                |
|------------------------------------|-------------------|------------------|----------------|----------------|
|                                    | 30th Sep,<br>2020 | 2020             | 2019           | 2018           |
| <b>A) EQUITY AND LIABILITIES</b>   |                   |                  |                |                |
| 1. Shareholders' Funds             |                   |                  |                |                |
| (a) Share Capital                  | 226.55            | 226.55           | 22.66          | 22.66          |
| (b) Reserves & Surplus             | 1492.00           | 1472.02          | 1434.67        | 1124.50        |
| <b>Total</b>                       | 1718.55           | 1698.57          | 1457.33        | 1147.16        |
| 2. Non-Current Liabilities         |                   |                  |                |                |
| (a) Long Term Borrowings           | 32.50             | 32.50            | 32.50          | 25.50          |
| (b) Deferred Tax Liabilities (Net) | 0.00              | 0.00             | 0.00           | 0.00           |
| (c) Other Long Term Liabilities    | 0.00              | 0.00             | 0.00           | 0.00           |
| (c) Long Term Provisions           | 21.22             | 21.22            | 11.32          | 9.14           |
| <b>Total</b>                       | 53.72             | 53.72            | 43.82          | 34.64          |
| 3. Current Liabilities             |                   |                  |                |                |
| (a) Short Term Borrowings          | 0.00              | 0.00             | 0.00           | 0.00           |
| (b) Trade Payables                 | 8.02              | 12.97            | 39.48          | 69.66          |
| (c) Other Current Liabilities      | 336.24            | 417.22           | 376.40         | 183.64         |
| (d) Short Term Provisions          | 25.73             | 119.66           | 137.83         | 100.09         |
| <b>Total</b>                       | 369.99            | 549.85           | 553.71         | 353.39         |
| <b>Grand Total</b>                 | <b>2142.26</b>    | <b>2302.13</b>   | <b>2054.86</b> | <b>1535.18</b> |
| <b>B) ASSETS</b>                   |                   |                  |                |                |
| 1. Non-Current Assets              |                   |                  |                |                |
| (a) Fixed Assets                   |                   |                  |                |                |
| i) Tangible Assets                 | 51.12             | 57.16            | 57.09          | 36.14          |
| ii) Intangible Assets              | 0.00              | 0.00             | 0.00           | 0.00           |
| <b>Total</b>                       | 51.12             | 57.16            | 57.09          | 36.14          |
| (b) Non-Current Investment         | 686.08            | 434.13           | 242.36         | 263.81         |
| (c) Deferred Tax Assets (Net)      | 4.77              | 4.64             | 4.14           | 3.98           |
| (c) Long Term Loans and Advances   | 0.00              | 0.00             | 0.00           | 0.00           |
| (d) Other Non-Current Assets       | 10.81             | 28.32            | 23.19          | 22.55          |
| <b>Total</b>                       | 701.66            | 467.08           | 269.68         | 290.34         |
| 2. Current Assets                  |                   |                  |                |                |
| (a) Inventories                    | 305.26            | 265.27           | 289.83         | 148.90         |
| (b) Trade Receivables              | 429.00            | 546.25           | 558.96         | 367.76         |
| (c) Cash and Cash equivalents      | 134.99            | 411.17           | 336.46         | 254.53         |
| (d) Short-Term Loans and Advances  | 0.00              | 0.00             | 0.00           | 0.00           |
| (e) Other Current Assets           | 520.24            | 555.21           | 542.83         | 437.52         |
| <b>Total</b>                       | 1389.49           | 1777.89          | 1728.09        | 1208.70        |
| <b>Grand Total</b>                 | <b>2142.26</b>    | <b>2302.13</b>   | <b>2054.86</b> | <b>1535.18</b> |

## Annexure II

**RESTATED CONSOLIDATED STATEMENT OF PROFIT AND LOSS (Rs. in Lakh)**

| PARTICULARS |                                                                                | For the<br>Period<br>ended | For the Year Ended 31st March |                |                |
|-------------|--------------------------------------------------------------------------------|----------------------------|-------------------------------|----------------|----------------|
|             |                                                                                | 30th<br>Sep,<br>2020       | 2020                          | 2019           | 2018           |
| 1           | Revenue From Operation (Gross)                                                 | 603.88                     | 3012.53                       | 3194.24        | 2197.63        |
|             | Less: Excise Duty                                                              | 0.00                       | 0.00                          | 0.00           | 0.00           |
|             | Revenue From Operation (Net)                                                   | 603.88                     | 3012.53                       | 3194.24        | 2197.63        |
| 2           | Other Income                                                                   | 10.78                      | 29.25                         | 29.50          | 17.02          |
|             | <b>Total Revenue (1+2)</b>                                                     | <b>614.65</b>              | <b>3041.78</b>                | <b>3223.74</b> | <b>2214.65</b> |
| 3           | Expenditure                                                                    |                            |                               |                |                |
| (a)         | Cost of Goods Consumed                                                         | -                          | -                             | -              | -              |
| (a)         | Purchase of Stock in trade                                                     | 220.00                     | 885.34                        | 1163.89        | 609.37         |
| (c)         | Changes in Inventories of finished goods, work in progress and stock -in-trade | -39.99                     | 24.57                         | -140.93        | -63.97         |
| (d)         | Employee Benefit Expenses                                                      | 178.26                     | 502.93                        | 420.47         | 334.42         |
| (e)         | Finance Cost                                                                   | 0.94                       | 4.62                          | 4.98           | 4.29           |
| (f)         | Depreciation and Amortisation Expenses                                         | 6.44                       | 15.79                         | 13.99          | 12.05          |
| (g)         | Other Expenses                                                                 | 222.00                     | 1198.64                       | 1274.59        | 964.14         |
| 4           | <b>Total Expenditure 3(a) to 3(b)</b>                                          | <b>587.66</b>              | <b>2631.88</b>                | <b>2737.00</b> | <b>1860.30</b> |
| 5           | <b>Profit/(Loss) Before Tax &amp; Extraordinary Items(2-4)</b>                 | <b>27.00</b>               | <b>409.90</b>                 | <b>486.75</b>  | <b>354.35</b>  |
| 6           | Tax Expense:                                                                   |                            |                               |                |                |
| (a)         | Tax Expense for Current Year                                                   | 7.16                       | 114.53                        | 135.57         | 98.47          |
| (b)         | Short/(Excess) Provision of Earlier Year                                       | 0.00                       | 0.00                          | 0.20           | 0.28           |
| (c)         | Deferred Tax                                                                   | -0.14                      | -0.50                         | -0.16          | -0.84          |
|             | Net Current Tax Expenses                                                       | <b>7.02</b>                | <b>114.03</b>                 | <b>135.61</b>  | <b>97.91</b>   |
| 7           | <b>Profit Before Extraordinary Items</b>                                       | <b>19.98</b>               | <b>295.86</b>                 | <b>351.14</b>  | <b>256.44</b>  |
| 8           | <b>Extraordinary Items (net of Tax)</b>                                        | <b>0.00</b>                | <b>0.00</b>                   | <b>0.00</b>    | <b>0.00</b>    |
| 9           | <b>Profit/(Loss) for the Year (5-6)</b>                                        | <b>19.98</b>               | <b>295.86</b>                 | <b>351.14</b>  | <b>256.44</b>  |

**Annexure III**  
**RESTATED CONSOLIDATED STATEMENT OF CASH FLOWS (Rs. In Lakhs)**

| PARTICULARS                                            | For the<br>Period<br>ended | For The Year Ended 31st March |               |               |
|--------------------------------------------------------|----------------------------|-------------------------------|---------------|---------------|
|                                                        | 30th Sep,<br>2020          | 2020                          | 2019          | 2018          |
| <b>A) Cash Flow From Operating Activities :</b>        |                            |                               |               |               |
| Net Profit before tax                                  | 27.00                      | 409.90                        | 486.75        | 354.35        |
| Adjustment for :                                       |                            |                               |               |               |
| Depreciation Fund Reverse due to sale of Fixed Assets  | 0.00                       | 0.00                          | 0.00          | 0.00          |
| Depreciation                                           | 6.44                       | 15.79                         | 13.99         | 12.05         |
| Interest Paid                                          | 0.00                       | 0.00                          | 0.00          | 0.00          |
| Loss on Sale of Fixed Asset                            | 0.00                       | 0.00                          | 0.00          | 0.00          |
| Interest Income from Investing Activities              | -4.40                      | -10.39                        | -14.83        | -10.09        |
| <b>Operating profit before working capital changes</b> | <b>29.04</b>               | <b>415.30</b>                 | <b>485.90</b> | <b>356.31</b> |
| <b>Changes in Working Capital</b>                      |                            |                               |               |               |
| (Increase)/Decrease in Inventories                     | -39.99                     | 24.57                         | -140.93       | -63.97        |
| (Increase)/Decrease in Trade Receivables               | 117.25                     | 12.71                         | -191.21       | -13.71        |
| (Increase)/Decrease in Other Current Assets            | 34.96                      | -12.37                        | -105.32       | -64.07        |
| Increase/(Decrease) in Trade Payables                  | -4.94                      | -26.52                        | -30.17        | 53.95         |
| Increase/(Decrease) in Other Current Liabilities       | -80.99                     | 40.82                         | 192.76        | -71.78        |
| Increase/(Decrease) in Short Term Provisions           | -93.92                     | -18.17                        | 37.73         | -19.43        |
| Increase/(Decrease) in Long Term Provisions            | 0.00                       | 9.90                          | 2.19          | 9.14          |
| Cash generated from operations                         | -38.58                     | 446.24                        | 250.96        | 186.43        |
| Less:- Income Taxes paid                               | 7.16                       | 114.53                        | 135.77        | 98.75         |
| Cash Flow Before Extraordinary Item                    | -45.74                     | 331.71                        | 115.19        | 87.68         |
| Loss on Amalgamation                                   | 0                          | 0                             | 0             | 0             |
| <b>Net cash flow from operating activities</b>         | <b>-45.74</b>              | <b>331.71</b>                 | <b>115.19</b> | <b>87.68</b>  |
| <b>B) Cash Flow From Investing Activities :</b>        |                            |                               |               |               |
| Purchase of Fixed Assets                               | -0.40                      | -15.86                        | -34.94        | -7.93         |
| Investment made during the year                        | -531.97                    | -196.91                       | -0.64         | -15.00        |
| Interest Received                                      | 4.40                       | 10.39                         | 14.83         | 10.09         |
| Loss on sale of Fixed Asset                            | 0.00                       | 0.00                          | 0.00          | 0.00          |

| PARTICULARS                                                             | For the Period ended  | For The Year Ended 31st March |                        |                        |
|-------------------------------------------------------------------------|-----------------------|-------------------------------|------------------------|------------------------|
|                                                                         | 30th Sep, 2020        | 2020                          | 2019                   | 2018                   |
| Sale of investments                                                     | 297.54                | 0.00                          | 21.45                  | 16.48                  |
| (Increase)/Decrease in Short term Loans and Advances                    | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
| (Increase)/Decrease in Other Non Current Assets                         | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
| Investment Income                                                       | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
|                                                                         |                       |                               |                        |                        |
| <b>Net cash flow from investing activities</b>                          | <b>-230.44</b>        | <b>-202.37</b>                | <b>0.71</b>            | <b>3.64</b>            |
|                                                                         |                       |                               |                        |                        |
| <b>C) Cash Flow From Financing Activities :</b>                         |                       |                               |                        |                        |
| Proceeds from Issue of Share Capital                                    | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
| Increase/(Decrease) in Short Term Borrowings                            | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
| Increase/(Decrease) in Long Term Borrowings                             | 0.00                  | 0.00                          | 7.00                   | 1.00                   |
| Interest Paid                                                           | 0.00                  | 0.00                          | 0.00                   | 0.00                   |
| Dividend Paid                                                           | 0.00                  | -54.62                        | -40.97                 | -34.08                 |
|                                                                         |                       |                               |                        |                        |
| <b>Net cash flow from financing activities</b>                          | <b>0.00</b>           | <b>-54.62</b>                 | <b>-33.97</b>          | <b>-33.08</b>          |
|                                                                         |                       |                               |                        |                        |
| <b>Net Cash Flow from Operating, Investing and Financing Activities</b> | <b>-276.18</b>        | <b>74.71</b>                  | <b>81.93</b>           | <b>58.24</b>           |
|                                                                         |                       |                               |                        |                        |
| <b>Cash equivalents at the begining of the year</b>                     | <b>411.17</b>         | <b>336.46</b>                 | <b>254.53</b>          | <b>196.29</b>          |
|                                                                         |                       |                               |                        |                        |
| <b>Cash equivalents at the end of the year</b>                          | <b>134.99</b>         | <b>411.17</b>                 | <b>336.46</b>          | <b>254.53</b>          |
|                                                                         |                       |                               |                        |                        |
|                                                                         |                       |                               |                        |                        |
| <b>Notes :-</b>                                                         |                       |                               |                        |                        |
| Component of Cash and Cash equivalents                                  | As on 30th Sep , 2020 | As on 31st March, 2020        | As on 31st March, 2019 | As on 31st March, 2018 |
| Cash on hand                                                            | 8.76                  | 8.75                          | 10.71                  | 17.38                  |
| Balance With banks                                                      | 126.23                | 402.42                        | 325.75                 | 237.15                 |
| <b>Total</b>                                                            | <b>134.99</b>         | <b>411.17</b>                 | <b>336.46</b>          | <b>254.53</b>          |

**ANNEXURE IV-  
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO FINANCIAL STATEMENTS**

**(1) Company Overview**

Siddhika Coatings Limited ('the Company') is incorporated in India on 20 July 2010. The company is an authorized marketer for SK Kaken Ltd. ('SKK') products, a renowned coatings and pigments manufacturer based in Japan. Having been associated with SKK for over a decade, company have gained the reputation of being one of the well-known suppliers of their products in India. We also provide application services which include preparing and coating interior as well as exterior surfaces of civil structures using organic and inorganic architectural textured pigments and technical-grade functional coatings

**(2) Summary of significant accounting policies**

**1. Basis of Preparation**

The consolidated financial statements have been prepared in accordance with applicable accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant requirements of the Companies Act 2013.

The consolidated financial statements have been prepared under the historical cost convention and on the basis of going concern in accordance with the applicable accounting standards in India.

The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis except payment of retirement benefits of employees which are accounted for on paid basis.

**2. Basis of Consolidation**

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity.

Entities controlled by the Company are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

Assets and liabilities of entities with functional currency other than the functional currency of the Company have been translated using exchange rates prevailing on the balance sheet date. Statement of profit and loss of such entities has been translated using weighted average exchange rates. Translation adjustments have been reported as foreign currency translation reserve in the statement of changes in equity. When a foreign operation is disposed off in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to statement of profit and loss as part of the gain or loss on disposal.

### **3. Use of estimates**

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revision in accounting estimates is recognised properly in current and future periods

### **4. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

### **5. Revenue from sale of goods**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Company is generally the principal as it typically controls the goods or services before transferring them to the customer. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

### **6. Revenue from rendering of services**

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Earnings in excess of billing are classified as unbilled revenue, while billings in excess of earnings are classified as unearned income.

### **7. Interest on bank deposits**

Interest on bank deposits is recognised on time proportion basis taking into account the amount outstanding and rates applicable.

## 8. Fixed Assets

### **Tangible assets**

Fixed assets are carried at cost less accumulated depreciation and impairment (if any). Cost comprises of the purchase price and any attributable cost of bringing the assets to its working conditions for its intended use. The cost of internally constructed assets includes cost directly related to their construction.

### **Depreciation**

Depreciation on tangible assets is provided on written down value (WDV) at the rates and in the manner prescribed in Schedule II of the Companies Act, 2013.

### **Impairment**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged in the profit and loss statement in the year in which an asset is identified as impaired. The impairment loss recognised in the prior accounting period is reversed if there has been a change in the estimation of recoverable amount.

## 9. Foreign currency transactions

### **Initial recognition**

Transactions in foreign currency are recorded in the reporting currency by applying to the foreign currency amount the exchange rate prevailing on the date of the transaction.

### **Subsequent recognition**

Monetary items denominated in foreign currency as at the balance sheet date are converted at the exchange rate prevailing on that date.

### **Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

## 10. Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and loss is accordingly reversed in the Statement of Profit and Loss.

## 11. Inventories

Inventories are valued at lower of cost or net realisable value. Cost includes freight and other related incidental expenses net of recoverable duties and taxes, if any and is arrived at on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to affect the sale.

## 12. Employee benefits

### Gratuity

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the actual value of the defined benefit obligation as at the balance sheet date as calculated by the Actuarial.

### Provident fund

Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

## 13. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with maturity of twelve months or less.

## 14. Taxation

Provision for tax comprises current and deferred tax. Current tax is provided for on the taxable income of the year at applicable tax rates. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are recognised on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty with convincing evidence that such deferred tax assets can be realised against future taxable profits.

### Minimum alternate tax

Minimum alternate tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## 15. Earnings/(loss) per share

Basic earnings/(loss) attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings/(loss) per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## 16. Contingent liabilities and provisions

The Company creates a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made

A disclosure is made for a contingent liability when there is a

-Possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Company;

-Present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;

-Present obligation, where a reliable estimate cannot be made.

## 17. Other notes and disclosures

The Balances of Trade payables, Loans & Advances, Other amounts payable and Security Deposits received and paid are subject to the confirmation from the respective parties.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS:

### 18. Expenditure in Foreign Currency:

| Particulars             | For the period ending on 30.09.2020 | 2019-20    | 2018-19    | 2017-18    |
|-------------------------|-------------------------------------|------------|------------|------------|
| Import - Purchase (INR) | 16,992,688                          | 67,744,720 | 70,070,783 | 32,891,188 |
| Import - Purchase (SGD) | 313,310                             | 1,293,383  | 1,359,632  | 690,003    |
|                         |                                     |            |            |            |
| Travelling (INR)        | -                                   | 34,351     | 40,561     | 75,955     |
| Travelling (SGD)        | -                                   | 635        | 755        | 1,576      |

### 19. Unhedged foreign currency exposure:

| Particulars             | For the period ending on 30.09.2020 | 2019-20 | 2018-19   | 2017-18 |
|-------------------------|-------------------------------------|---------|-----------|---------|
| Import - Purchase (INR) | -                                   | -       | 1,488,016 | -       |
| Import - Purchase (SGD) | -                                   | -       | 29,238.53 | -       |

### 20. Contingent liabilities and capital commitment

There are no pending litigations against the Company and by the Company as at period end. There are no contingent liabilities or capital commitment at period end.

### 21. Prior period comparatives

Previous year's figures have been regrouped / reclassified where necessary, to confirm to current year's classification.

### 22. FDR with Andhra Bank are pledged against Bank Guarantee as per detailed below: -

| Particulars                                 | As on 30.09.2020      |                              | As on 31.03.2020      |                              |
|---------------------------------------------|-----------------------|------------------------------|-----------------------|------------------------------|
| Guarantee In favour of                      | Bank guarantee Amount | Fixed Deposit Pledged Amount | Bank guarantee Amount | Fixed Deposit Pledged Amount |
| Alipore Institute of Mangament & Technology | 651,750               | 66,460                       | 651,750               | 66,460                       |
| GMR Hyderabad Aerotropolis Ltd.             | 144,899               | 15,000                       | 144,899               | 15,000                       |
| Embassy Property Development Pvt. Ltd.      | 135,000               | 22,500                       | 135,000               | 22,500                       |
| L & W Construction Pvt Ltd                  | -                     | -                            | 1,873,368             | 201,750                      |
| Uniglazae India Pvt Ltd                     | -                     | -                            | 2,880,675             | 792,865                      |
| Provenance Land Pvt Ltd                     | -                     | -                            | 2,098,468             | 533,000                      |

### 23. The Company has availed the Bank Guarantee Limit of Rs. 1.35 Crore vide mortgage the property i.e. L-9, LGF, Kalkaji, New Delhi - 19 vide letter dated 06.12.2019, for which form 8 has also been submitted.

## 24. Related Party disclosures

|                          |                                                 |          |
|--------------------------|-------------------------------------------------|----------|
| Key Management Personnel | 1.Charitra Maheshwari                           | Director |
|                          | 2.Abhijeet Banerjee                             | Director |
|                          | 3.Gaurav Agarwal                                | Director |
|                          | 4.Manvendra Pratap Singh                        | Director |
|                          | 5.Inder Pal Singh                               | Director |
|                          | 6.Ashish Kumar Tiwari                           | Director |
|                          | 7.Pradeep Srivastava                            | Director |
|                          | 8.Asha Mittal                                   | Director |
| Related Enterprises      | 1.Siddhika Business Applications Pvt.Ltd.       |          |
|                          | 2.A.B.Coatings Pvt.Ltd.                         |          |
|                          | 3.Siddhika Foundation Trust                     |          |
|                          | 4.Siddhika Consulting & Investment OPC Pvt.Ltd. |          |

**Details of transactions with related parties specified as per AS 18 issued by ICAI are disclosed in Annexure - O of restated consolidated financial statements.**

**25.** The name of company has been changed to Siddhika Coatings Limited from Siddhika coatings Private Limited w.e.f. 14.01.2020.

## **26. Amounts Outstanding Micro, Small and Medium Enterprises:**

Based on the information and records available with the management, there are no dues outstanding to Micro, Small and Medium Enterprises covered under Micro, Small and Medium Enterprises Development Act, 2006.

As per our report of even date attached  
**For V C A N & CO.**  
Chartered Accountants  
FRN: 125172W

For and on behalf of Board of  
**Siddhika Coatings Limited**

**Sd/-**  
**CA Abhishek Jain**  
Partner  
M.No : 0535564  
Firm Regn.No.: 125172W

**Sd/-**  
**Charitra Maheshwari**  
Director  
DIN:03055689  
Place : Delhi

**Sd/-**  
**Chandan Tiwari**  
CFO  
Place : Delhi

Place : Delhi  
Dated : 16 January 2021  
UDIN: 21535564AAAAAK7700

# ANNEXURE – A

## RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

(Rs. in Lakh)

| Particulars                                         | As at<br>30.09.2020   | As at          |                |                |
|-----------------------------------------------------|-----------------------|----------------|----------------|----------------|
|                                                     |                       | 31.03.2020     | 31.03.2019     | 31.03.2018     |
| <b>Share Capital</b>                                |                       |                |                |                |
| <b>Authorised Share Capital</b>                     |                       |                |                |                |
| Equity shares of Rs.10 each                         | 32.50                 | 32.50          | 3.50           | 3.50           |
| Share Capital                                       | 325.00                | 325.00         | 35.00          | 35.00          |
| <b>Issued, Subscribed and Paid up Share Capital</b> |                       |                |                |                |
| Equity Shares of Rs. 10 each fully paid up          | 22.66                 | 22.66          | 2.27           | 2.27           |
| Share Capital (in Rs.)                              | 226.55                | 226.55         | 22.66          | 22.66          |
| <b>Total</b>                                        | <b>226.55</b>         | <b>226.55</b>  | <b>22.66</b>   | <b>22.66</b>   |
| <b>(Refer note below)</b>                           |                       |                |                |                |
| Particulars                                         | As at Sep 30,<br>2020 | As at          |                |                |
|                                                     |                       | 31.03.2020     | 31.03.2019     | 31.03.2018     |
| <b>Reserves and Surplus</b>                         |                       |                |                |                |
| A) Surplus in Profit and Loss account               |                       |                |                |                |
| Opening Balance                                     | 1441.17               | 1403.82        | 1093.66        | 871.30         |
| Add: Restated Profit/ (Loss) for the year           | 19.98                 | 295.86         | 351.14         | 256.44         |
| Less: Dividend Paid                                 | 0.00                  | 54.62          | 40.97          | 34.08          |
| Less: Issue of Bonus Share                          | 0.00                  | 203.90         | 0.00           | 0.00           |
| Closing Balance                                     | 1461.15               | 1441.17        | 1403.82        | 1093.66        |
| B) Securities Premium                               |                       |                |                |                |
| Balance as per the last financial statements        | 19.57                 | 19.57          | 19.57          | 19.57          |
| Add: During the year                                | 0.00                  | 0.00           | 0.00           | 0.00           |
| Closing Balance                                     | 19.57                 | 19.57          | 19.57          | 19.57          |
| C) Capital Reserve on consolidation                 |                       |                |                |                |
| Balance as per the last financial statements        | 11.27                 | 11.27          | 11.27          | 11.27          |
| Add: During the year                                | 0.00                  | 0.00           | 0.00           | 0.00           |
| Closing Balance                                     | 11.27                 | 11.27          | 11.27          | 11.27          |
| <b>Total</b>                                        | <b>1492.00</b>        | <b>1472.02</b> | <b>1434.67</b> | <b>1124.50</b> |

**1. Terms/rights attached to equity shares:**

- i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
- ii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

5. The reconciliation of the number of shares outstanding as at: -

| Particulars                                       | As at Sep 30, 2020 | As at        |             |             |
|---------------------------------------------------|--------------------|--------------|-------------|-------------|
|                                                   |                    | 31.03.2020   | 31.03.2019  | 31.03.2018  |
| Number of shares at the beginning                 | 22.66              | 2.27         | 2.27        | 2.27        |
| Add: Shares issued during the year (Bonus Shares) | 0.00               | 20.39        | 0.00        | 0.00        |
| <b>Number of shares at the end</b>                | <b>22.66</b>       | <b>22.66</b> | <b>2.27</b> | <b>2.27</b> |

6. The detail of shareholders holding more than 5% of Shares: -

| Name of Shareholders                     | As at Sep 30, 2020 | As at        |             |             |
|------------------------------------------|--------------------|--------------|-------------|-------------|
|                                          |                    | 31.03.2020   | 31.03.2019  | 31.03.2018  |
| Charitra Maheshwari                      | 2.58               | 2.58         | 0.26        | 0.26        |
| Charitra Maheshwari HUF                  | 1.77               | 1.77         | 0.18        | 0.18        |
| Siddhika Business Applications Pvt. Ltd. | 14.50              | 14.50        | 1.45        | 1.45        |
|                                          |                    |              |             |             |
| <b>Total</b>                             | <b>18.85</b>       | <b>18.85</b> | <b>1.89</b> | <b>1.89</b> |

**ANNEXURE B**
**RESTATED CONSOLIDATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS**

(Rs. in Lakh)

| Particulars                                 | As at 30.09.2020 | As at      |            |            |
|---------------------------------------------|------------------|------------|------------|------------|
|                                             |                  | 31.03.2020 | 31.03.2019 | 31.03.2018 |
| <b>Long Term Borrowings</b>                 |                  |            |            |            |
| From Banks/Financial Institutions (Secured) | 0.00             | 0.00       | 0.00       | 0.00       |
|                                             |                  |            |            |            |
| -Loan from Directors                        |                  |            |            |            |
| Abhijeet Banerjee                           | 32.50            | 32.50      | 32.50      | 25.50      |
|                                             |                  |            |            |            |
| <b>Short Term Borrowings</b>                |                  |            |            |            |

| From Banks/Financial Institutions (Secured)                                                                                                                                                                                    | 0.00                | 0.00       | 0.00       | 0.00       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|------------|------------|------------|
| Particulars                                                                                                                                                                                                                    | As at<br>30.09.2020 | As at      |            |            |
|                                                                                                                                                                                                                                |                     | 31.03.2020 | 31.03.2019 | 31.03.2018 |
| <b>The above amount includes:</b>                                                                                                                                                                                              |                     |            |            |            |
| Secured Borrowings                                                                                                                                                                                                             | 0.00                | 0.00       | 0.00       | 0.00       |
| Unsecured Borrowings                                                                                                                                                                                                           | 32.50               | 32.50      | 32.50      | 25.50      |
| 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.                                                                                                           |                     |            |            |            |
| 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III. |                     |            |            |            |
| 3. List of persons/entities classified as 'Promoter' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors.                                                                     |                     |            |            |            |

#### ANNEXURE – B(A)

##### STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY (Rs. in Lakh)

| Name of Lender | Purpose | Sanctioned Amount (Rs.) | Rate of interest | Securities offered | Re-Payment Schedule | Moratorium | Outstanding amount as on (as per Books) |
|----------------|---------|-------------------------|------------------|--------------------|---------------------|------------|-----------------------------------------|
|                |         |                         |                  |                    |                     |            | 30.09.2020                              |
| NA             | NA      | NA                      | NA               | NA                 | NA                  | NA         | NA                                      |
| <b>Total</b>   |         | <b>0.00</b>             |                  |                    |                     |            | <b>0.00</b>                             |

#### ANNEXURE – C

##### RESTATED CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES (Rs. in Lakh)

| Particulars                                                                           | As at<br>30.09.2020 | As at        |              |              |
|---------------------------------------------------------------------------------------|---------------------|--------------|--------------|--------------|
|                                                                                       |                     | 31.03.2020   | 31.03.2019   | 31.03.2018   |
| <b>Major Components of deferred tax arising on account of timing differences are:</b> |                     |              |              |              |
| Timing Difference Due to Depreciation                                                 | -0.53               | -1.78        | -0.57        | -3.05        |
| Timing Difference Due to Differences in Amortisation Period of Exp.                   | 0.00                | 0.00         | 0.00         | 0.00         |
| <b>Deferred Tax Liability(A)</b>                                                      | <b>-0.14</b>        | <b>-0.50</b> | <b>-0.16</b> | <b>-0.84</b> |
|                                                                                       |                     |              |              |              |
| Expenses Disallowed due to difference in Amortisation Period of Exp.                  | 0.00                | 0.00         | 0.00         | 0.00         |
| Timing Difference                                                                     | 0.00                | 0.00         | 0.00         | 0.00         |
| <b>Deferred Tax Assets (B)</b>                                                        | <b>0.00</b>         | <b>0.00</b>  | <b>0.00</b>  | <b>0.00</b>  |
|                                                                                       |                     |              |              |              |
| <b>Cumulative Balance of Deferred Tax Liability/ ( Assets) (Net) (A-B)</b>            | <b>-4.77</b>        | <b>-4.64</b> | <b>-4.14</b> | <b>-3.98</b> |

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, II and III .

**ANNEXURE – D**

| <b>RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES</b> (Rs. in Lakh)                                                                                                                                                                                                                                                                                  |                     |              |              |              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|--------------|--------------|
| Particulars                                                                                                                                                                                                                                                                                                                                             | As at<br>30.09.2020 | As at        |              |              |
|                                                                                                                                                                                                                                                                                                                                                         |                     | 31.03.2020   | 31.03.2019   | 31.03.2018   |
| <b>Trade Payables</b>                                                                                                                                                                                                                                                                                                                                   |                     |              |              |              |
| For Goods & Services                                                                                                                                                                                                                                                                                                                                    |                     |              |              |              |
| - Due to Micro, Small and Medium Enterprises                                                                                                                                                                                                                                                                                                            | 0.00                | 0.98         | 0.00         | 0.00         |
| - Due to Others                                                                                                                                                                                                                                                                                                                                         | 8.02                | 11.98        | 39.48        | 69.66        |
| <b>Total</b>                                                                                                                                                                                                                                                                                                                                            | <b>8.02</b>         | <b>12.97</b> | <b>39.48</b> | <b>69.66</b> |
| Notes:                                                                                                                                                                                                                                                                                                                                                  |                     |              |              |              |
| 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.                                                                                                                                                                                                                                    |                     |              |              |              |
| 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.                                                                                                                          |                     |              |              |              |
| 3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities other than those disclosed in annexure - d which needs to be disclosed. |                     |              |              |              |

**ANNEXURE – E**
**RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS, OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS** (Rs. In Lakhs)

| Particulars                                                                                                          | As at<br>30.09.2020 | As at         |               |               |
|----------------------------------------------------------------------------------------------------------------------|---------------------|---------------|---------------|---------------|
|                                                                                                                      |                     | 31.03.2020    | 31.03.2019    | 31.03.2018    |
| <b>Long Term Provisions</b>                                                                                          |                     |               |               |               |
| Gratuity                                                                                                             | 21.22               | 21.22         | 11.32         | 9.14          |
| <b>Total</b>                                                                                                         | <b>21.22</b>        | <b>21.22</b>  | <b>11.32</b>  | <b>9.14</b>   |
| <b>Other Current Liabilities</b>                                                                                     |                     |               |               |               |
| Current Maturities of Long Term Debt                                                                                 | 0.00                | 0.00          | 0.00          | 0.00          |
| Other Liabilities                                                                                                    | 0.00                | 0.00          | 0.00          | 0.00          |
| Statutory Payables                                                                                                   | 274.41              | 331.60        | 294.27        | 120.01        |
| Provision for expenses                                                                                               | 12.52               | 4.52          | 3.62          | 3.30          |
| Other payables                                                                                                       | 49.30               | 81.10         | 78.51         | 60.33         |
| <b>Total</b>                                                                                                         | <b>336.24</b>       | <b>417.22</b> | <b>376.40</b> | <b>183.64</b> |
| <b>Short Term Provisions</b>                                                                                         |                     |               |               |               |
| Provision for Income Tax                                                                                             | 21.34               | 116.40        | 134.26        | 93.47         |
| Gratuity                                                                                                             | 4.40                | 3.25          | 1.76          | 1.43          |
| <b>Total</b>                                                                                                         | <b>25.73</b>        | <b>119.66</b> | <b>136.01</b> | <b>94.90</b>  |
| Notes:                                                                                                               |                     |               |               |               |
| 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company. |                     |               |               |               |

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## ANNEXURE – F

| RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS                                                                                                                                                                                |                     |              |              |              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------|--------------|--------------|
| (Rs. in Lakh)                                                                                                                                                                                                                  |                     |              |              |              |
| Particulars                                                                                                                                                                                                                    | As at<br>30.09.2020 | As at        |              |              |
|                                                                                                                                                                                                                                |                     | 31.03.2020   | 31.03.2019   | 31.03.2018   |
|                                                                                                                                                                                                                                |                     |              |              |              |
| <b>Tangible*</b>                                                                                                                                                                                                               |                     |              |              |              |
| Computers                                                                                                                                                                                                                      | 4.03                | 5.05         | 4.11         | 4.98         |
| Office Equipments                                                                                                                                                                                                              | 1.50                | 1.70         | 1.48         | 1.70         |
| Plant & Machinery                                                                                                                                                                                                              | 38.54               | 42.39        | 41.42        | 17.80        |
| Furniture and Fittings                                                                                                                                                                                                         | 7.04                | 8.02         | 10.09        | 11.66        |
| <b>Sub Total (I)</b>                                                                                                                                                                                                           | <b>51.12</b>        | <b>57.16</b> | <b>57.09</b> | <b>36.14</b> |
| * Written down value                                                                                                                                                                                                           |                     |              |              |              |
|                                                                                                                                                                                                                                |                     |              |              |              |
| <b>Total</b>                                                                                                                                                                                                                   | <b>51.12</b>        | <b>57.16</b> | <b>57.09</b> | <b>36.14</b> |
| Note :                                                                                                                                                                                                                         |                     |              |              |              |
| 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.                                                                                                           |                     |              |              |              |
| 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III. |                     |              |              |              |

## ANNEXURE – G

| RESTATED CONSOLIDATED STATEMENT OF INVENTORIES |                     |               |               |               |
|------------------------------------------------|---------------------|---------------|---------------|---------------|
| (Rs. in Lakh)                                  |                     |               |               |               |
| Particulars                                    | As at<br>30.09.2020 | As at         |               |               |
|                                                |                     | 31.03.2020    | 31.03.2019    | 31.03.2018    |
|                                                |                     |               |               |               |
| Raw Materials                                  | 0.00                | 0.00          | 0.00          | 0.00          |
| Work In Progress                               | 0.00                | 0.00          | 0.00          | 0.00          |
| Finished Goods                                 | 305.26              | 265.27        | 289.83        | 148.90        |
| <b>Total</b>                                   | <b>305.26</b>       | <b>265.27</b> | <b>289.83</b> | <b>148.90</b> |

**ANNEXURE – H**

| <b>RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES</b>                                  |                             |                   |                   |                   |
|----------------------------------------------------------------------------------------------|-----------------------------|-------------------|-------------------|-------------------|
| <b>(Rs. in Lakh)</b>                                                                         |                             |                   |                   |                   |
| <b>Particulars</b>                                                                           | <b>As at<br/>30.09.2020</b> | <b>As at</b>      |                   |                   |
|                                                                                              |                             | <b>31.03.2020</b> | <b>31.03.2019</b> | <b>31.03.2018</b> |
| Outstanding for a period exceeding six months (Unsecured and considered Good)                | 193.96                      | 134.67            | 122.96            | 101.65            |
| From Directors/Promoter/Promoter Group/Associates/ Relatives of Directors/ Group Companies.  | 0.00                        | 0.00              | 0.00              | 0.00              |
| Others                                                                                       | 0.00                        | 0.00              | 0.00              | 0.00              |
|                                                                                              |                             |                   |                   |                   |
| Outstanding for a period not exceeding 6 months (Unsecured and considered Good)              | 235.04                      | 411.58            | 436.00            | 266.11            |
| From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies. | 0.00                        | 0.00              | 0.00              | 0.00              |
| Others                                                                                       | 0.00                        | 0.00              | 0.00              | 0.00              |
| <b>Total</b>                                                                                 | <b>429.00</b>               | <b>546.25</b>     | <b>558.96</b>     | <b>367.76</b>     |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – I**
**RESTATED CONSOLIDATED STATEMENT OF CASH & CASH EQUIVALENTS**
**(Rs. In Lakhs)**

| (Rs. in Lakhs)                                                                  |                     |               |               |               |
|---------------------------------------------------------------------------------|---------------------|---------------|---------------|---------------|
| Particulars                                                                     | As at<br>30.09.2020 | As at         |               |               |
|                                                                                 |                     | 31.03.2020    | 31.03.2019    | 31.03.2018    |
| Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements) |                     |               |               |               |
| Balances with Banks in Current Accounts                                         | 62.91               | 183.07        | 217.17        | 155.36        |
| Bank Deposits                                                                   | 63.32               | 219.35        | 108.58        | 81.79         |
| Cash on Hand                                                                    | 8.76                | 8.75          | 10.71         | 17.38         |
| <b>Total</b>                                                                    | <b>134.99</b>       | <b>411.17</b> | <b>336.46</b> | <b>254.53</b> |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – J**
**RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES**
**(Rs. In Lakhs)**

| Particulars                                        | As at<br>30.09.2020 | As at       |             |             |
|----------------------------------------------------|---------------------|-------------|-------------|-------------|
|                                                    |                     | 31.03.2020  | 31.03.2019  | 31.03.2018  |
| Unsecured, Considered Good unless otherwise stated | 0.00                | 0.00        | 0.00        | 0.00        |
| <b>Total</b>                                       | <b>0.00</b>         | <b>0.00</b> | <b>0.00</b> | <b>0.00</b> |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. List of persons/entities classified as 'Promoter' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

**ANNEXURE – K**

| RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS |                     |               |               |               |
|---------------------------------------------------------|---------------------|---------------|---------------|---------------|
| (Rs. In Lakhs)                                          |                     |               |               |               |
| Particulars                                             | As at<br>30.09.2020 | As at         |               |               |
|                                                         |                     | 31.03.2020    | 31.03.2019    | 31.03.2018    |
| Others                                                  | 520.24              | 555.21        | 542.83        | 437.52        |
| <b>Total</b>                                            | <b>520.24</b>       | <b>555.21</b> | <b>542.83</b> | <b>437.52</b> |

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE- L**
**RESTATED CONSOLIDATED STATEMENT OF TURNOVER**
**(Rs. In Lakhs)**

| Particulars                                                                                                  | As at<br>30.09.2020 | As at          |                |                |
|--------------------------------------------------------------------------------------------------------------|---------------------|----------------|----------------|----------------|
|                                                                                                              |                     | 31.03.2020     | 31.03.2019     | 31.03.2018     |
| (i) Turnover of Products Traded by the Issuer Company                                                        | 603.88              | 3012.53        | 3194.24        | 2071.55        |
| (ii) Turnover of Products Manufactured by the Issuer Company                                                 | 0.00                | 0.00           | 0.00           | 0.00           |
| (iii) Turnover of Services provided by Issuer Company                                                        | 0.00                | 0.00           | 0.00           | 126.08         |
| *(iv) Turnover in respect of Products not Normally dealt in by the Issuer Company but included in (ii) above | 0.00                | 0.00           | 0.00           | 0.00           |
| <b>Total</b>                                                                                                 | <b>603.88</b>       | <b>3012.53</b> | <b>3194.24</b> | <b>2197.63</b> |

\*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

**ANNEXURE – M**

ANNEXURE - A

| RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME                                                                                                                                                                                |                      |                    |            |            |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------|------------|------------|------------|
| (Rs. in Lakh)                                                                                                                                                                                                                  |                      |                    |            |            |            |
| Particulars                                                                                                                                                                                                                    | For the Period ended | For the Year Ended |            |            |            |
|                                                                                                                                                                                                                                |                      | 30.09.2020         | 31.03.2020 | 31.03.2019 | 31.03.2018 |
| Related and Recurring Income:                                                                                                                                                                                                  |                      |                    |            |            |            |
| Interest on FD                                                                                                                                                                                                                 | 4.40                 | 10.39              | 14.83      | 10.09      |            |
| Rent received                                                                                                                                                                                                                  | 1.12                 | 2.06               | 2.41       | 2.68       |            |
| Dividend income                                                                                                                                                                                                                | 0.02                 | 0.00               | 0.00       | 0.00       |            |
| Interest on TDS refund                                                                                                                                                                                                         | 0.00                 | 0.09               | 0.00       | 0.00       |            |
| GST Input tax                                                                                                                                                                                                                  | 1.41                 | 0.00               | 3.71       | 0.00       |            |
| Gain from sale of investments                                                                                                                                                                                                  | 3.82                 | 16.72              | 8.55       | 4.25       |            |
|                                                                                                                                                                                                                                |                      |                    |            |            |            |
| Total                                                                                                                                                                                                                          | 10.78                | 29.25              | 29.50      | 17.02      |            |
|                                                                                                                                                                                                                                |                      |                    |            |            |            |
| 1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.            |                      |                    |            |            |            |
| 2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.                                                                                                           |                      |                    |            |            |            |
| 3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III. |                      |                    |            |            |            |

**ANNEXURE – N**

ANNEXURE - N

| RESTATED CONSOLIDATED STATEMENT OF EXPENSES |                      |                    |            |            |
|---------------------------------------------|----------------------|--------------------|------------|------------|
| (Rs. in Lakhs)                              |                      |                    |            |            |
| Particulars                                 | For the Period ended | For the Year Ended |            |            |
|                                             | 30.09.2020           | 31.03.2020         | 31.03.2019 | 31.03.2018 |
| Consumption of Goods                        |                      |                    |            |            |
| Consumption of Goods                        | 220.00               | 885.34             | 1163.89    | 609.37     |
| Total                                       | 220.00               | 885.34             | 1163.89    | 609.37     |
|                                             |                      |                    |            |            |
| Changes in Inventory                        |                      |                    |            |            |
| Inventories at the beginning of the year    | 265.27               | 289.83             | 148.90     | 84.93      |
| Inventories at the end of the year          | 305.26               | 265.27             | 289.83     | 148.90     |
| Increase/Decrease in Inventory              | -39.99               | 24.57              | -140.93    | -63.97     |
|                                             |                      |                    |            |            |

| Particulars                        | For the Period ended | For the Year Ended |               |               |
|------------------------------------|----------------------|--------------------|---------------|---------------|
|                                    | 30.09.2020           | 31.03.2020         | 31.03.2019    | 31.03.2018    |
| <b>Employee Benefit Expenses</b>   |                      |                    |               |               |
| Salaries & Wages                   | 123.57               | 330.39             | 266.15        | 222.78        |
| Staff Welfare Exp                  | 6.67                 | 28.19              | 36.92         | 29.01         |
| Directors Remmuneration            | 37.16                | 96.60              | 77.40         | 48.35         |
| Employer's contribution to ESI/EPF | 10.81                | 39.34              | 32.57         | 28.65         |
| Leave encashment/ LTA paid         | 0.05                 | 8.40               | 7.43          | 5.63          |
| <b>Total</b>                       | <b>178.26</b>        | <b>502.93</b>      | <b>420.47</b> | <b>334.42</b> |
|                                    |                      |                    |               |               |
| <b>Finance Cost</b>                |                      |                    |               |               |
| Bank Charges                       | 0.94                 | 4.62               | 4.98          | 4.29          |
| Bank Guarantee Charges             | 0.00                 | 0.00               | 0.00          | 0.00          |
| <b>Total</b>                       | <b>0.94</b>          | <b>4.62</b>        | <b>4.98</b>   | <b>4.29</b>   |
|                                    |                      |                    |               |               |
| <b>Other Expenses</b>              |                      |                    |               |               |
| <b>Payment to Auditors</b>         |                      |                    |               |               |
| Audit Fees                         | 0.00                 | 1.08               | 0.95          | 0.80          |
| <b>Total</b>                       | <b>0.00</b>          | <b>1.08</b>        | <b>0.95</b>   | <b>0.80</b>   |
|                                    |                      |                    |               |               |
| <b>Freight Expenses</b>            |                      |                    |               |               |
| Freight & Cartage Expenses         | 5.92                 | 31.93              | 30.92         | 28.16         |
| Clearing & Forwarding Expenses     | 13.32                | 55.87              | 72.48         | 35.21         |
| <b>Total</b>                       | <b>19.24</b>         | <b>87.80</b>       | <b>103.40</b> | <b>63.37</b>  |
|                                    |                      |                    |               |               |
| <b>Production Expense</b>          |                      |                    |               |               |
| Testing Expense                    | 0.00                 | 0.00               | 0.00          | 0.00          |
| Labour Work Expemse                | 0.00                 | 0.00               | 0.00          | 0.00          |
| CST Expense                        | 0.00                 | 0.00               | 0.00          | 0.00          |
| <b>Total</b>                       | <b>0.00</b>          | <b>0.00</b>        | <b>0.00</b>   | <b>0.00</b>   |
|                                    |                      |                    |               |               |
| <b>Other Expenses</b>              |                      |                    |               |               |
| (i) Insurance                      |                      |                    |               |               |
| Other Insurance                    | 3.10                 | 9.61               | 7.89          | 8.57          |
|                                    |                      |                    |               |               |
| (ii) Rent Rates & Taxes            | 0.00                 | 0.00               | 0.00          | 0.00          |
| Rent                               | 28.86                | 73.40              | 74.20         | 54.54         |
| Rates & Taxes                      | 0.60                 | 0.85               | 0.91          | 1.94          |
|                                    |                      |                    |               |               |

| Particulars                                                                                                                                                                                                                 | For the Period ended | For the Year Ended |                |                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------|----------------|----------------|
|                                                                                                                                                                                                                             | 30.09.2020           | 31.03.2020         | 31.03.2019     | 31.03.2018     |
| (iii) Office Expenses                                                                                                                                                                                                       |                      |                    |                |                |
| Electricity and Water Exp.                                                                                                                                                                                                  | 2.47                 | 7.09               | 7.80           | 5.20           |
| Conveyance Exp.                                                                                                                                                                                                             | 3.19                 | 16.36              | 55.44          | 43.96          |
| Travelling Expense                                                                                                                                                                                                          | 13.15                | 76.55              | 48.68          | 38.00          |
| Foreign Travelling Expense                                                                                                                                                                                                  | 0.00                 | 2.87               | 6.39           | 1.48           |
| Donations & Charity                                                                                                                                                                                                         | 0.00                 | 0.51               | 0.75           | 0.00           |
| Telephone Expenses                                                                                                                                                                                                          | 0.69                 | 1.99               | 2.79           | 8.02           |
| Misc Exp Write off                                                                                                                                                                                                          | 0.13                 | 0.45               | 0.70           | 1.18           |
| Postage & Courier Charges                                                                                                                                                                                                   | 1.42                 | 5.95               | 3.95           | 2.19           |
| Printing & Stationery                                                                                                                                                                                                       | 0.47                 | 6.18               | 6.57           | 4.98           |
| VAT/CST Paid                                                                                                                                                                                                                | 0.00                 | 6.27               | 2.70           | 15.06          |
| TDS/GST Paid                                                                                                                                                                                                                | 0.03                 | 0.00               | 0.00           | 0.00           |
| Roc Filing                                                                                                                                                                                                                  | 0.00                 | 3.41               | 0.02           | 0.21           |
| Commision & Brokerage                                                                                                                                                                                                       | 6.69                 | 87.81              | 227.63         | 191.97         |
| Computre maintenance                                                                                                                                                                                                        | 1.52                 | 4.10               | 3.20           | 0.72           |
| Business Promotion Exp                                                                                                                                                                                                      | 0.03                 | 2.37               | 3.03           | 2.37           |
| Short & excess                                                                                                                                                                                                              | 0.04                 | 16.14              | 5.75           | 13.60          |
| Festival celebration                                                                                                                                                                                                        | 0.00                 | 7.62               | 3.44           | 5.96           |
| Material fixing charges                                                                                                                                                                                                     | 0.00                 | 0.38               | 0.33           | 0.00           |
| Loading & unloading Exp                                                                                                                                                                                                     | 1.33                 | 5.76               | 5.36           | 6.07           |
| Repair & maintenance                                                                                                                                                                                                        | 1.27                 | 1.90               | 0.00           | 0.00           |
| Sampling Exp                                                                                                                                                                                                                | 0.25                 | 1.40               | 0.21           | 0.07           |
| Site Exp                                                                                                                                                                                                                    | 17.76                | 72.19              | 61.20          | 67.77          |
| Scaffolding Expenses                                                                                                                                                                                                        | 5.24                 | 131.03             | 85.54          | 48.80          |
| Job work charges                                                                                                                                                                                                            | 107.80               | 512.89             | 526.46         | 357.01         |
| Office Expense                                                                                                                                                                                                              | 3.89                 | 27.18              | 16.70          | 14.94          |
|                                                                                                                                                                                                                             |                      |                    |                |                |
| (iv) Legal and Professional fees                                                                                                                                                                                            | 0.00                 | 0.00               | 0.00           | 0.00           |
| Professional & Technical Charges                                                                                                                                                                                            | 2.84                 | 27.49              | 12.59          | 5.37           |
| Legal Exp.                                                                                                                                                                                                                  | 0.00                 | 0.00               | 0.00           | 0.00           |
| Registration Fees                                                                                                                                                                                                           | 0.00                 | 0.00               | 0.00           | 0.00           |
| Tender Fees                                                                                                                                                                                                                 | 0.00                 | 0.00               | 0.00           | 0.00           |
| Total                                                                                                                                                                                                                       | 202.76               | 1109.76            | 1170.24        | 899.97         |
|                                                                                                                                                                                                                             |                      |                    |                |                |
| <b>Total (A+B+C+D)</b>                                                                                                                                                                                                      | <b>222.00</b>        | <b>1198.64</b>     | <b>1274.59</b> | <b>964.14</b>  |
| <b>TOTAL EXPENSES (1+2+3+4)</b>                                                                                                                                                                                             | <b>581.22</b>        | <b>2616.09</b>     | <b>2723.01</b> | <b>1848.25</b> |
| The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III. |                      |                    |                |                |

**ANNEXURE O**
**RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTIONS**
**(Rs. In Lakhs)**

| Sr. No. | Particulars                                                                                                           | As at<br>30.09.2020 | As at      |            |            |
|---------|-----------------------------------------------------------------------------------------------------------------------|---------------------|------------|------------|------------|
|         |                                                                                                                       |                     | 31.03.2020 | 31.03.2019 | 31.03.2018 |
| a       | Names of the related parties with whom transaction were carried out during the years and description of relationship: |                     |            |            |            |
| A       | Key Managerial Person                                                                                                 |                     |            |            |            |
| 1       | Salary to                                                                                                             |                     |            |            |            |
|         | Charitra Maheshwari                                                                                                   | 9.77                | 25.20      | 19.20      | 14.85      |
|         | Abhijeet Banerjee                                                                                                     | 10.00               | 25.80      | 21.00      | 16.80      |
|         | Gaurav Agarwal                                                                                                        | 9.30                | 24.00      | 19.20      | 15.00      |
|         | Manvendra Pratap Singh                                                                                                | 8.10                | 21.60      | 18.00      | 9.20       |
|         |                                                                                                                       |                     |            |            |            |
| 2       | Long-Term Borrowings from Abhijeet Banerjee                                                                           |                     |            |            |            |
|         | Opening Balance                                                                                                       | 32.50               | 32.50      | 25.50      | 24.50      |
|         | Amount Raised                                                                                                         | 0.00                | 0.00       | 7.00       | 1.00       |
|         | Amount Repaid                                                                                                         | 0.00                | 0.00       | 0.00       | 0.00       |
|         | Closing Balance                                                                                                       | 32.50               | 32.50      | 32.50      | 25.50      |
|         |                                                                                                                       |                     |            |            |            |
| B       | Relatives of Key Management Personnel with whom transactions have taken place                                         |                     |            |            |            |
|         | Purchase From                                                                                                         |                     |            |            |            |
|         | Siddhika Energy Pvt. Ltd.                                                                                             | 0.00                | 0.00       | 0.38       | 0.00       |
|         |                                                                                                                       | 0.00                | 0.00       | 0.00       | 0.00       |
|         | Rent Paid                                                                                                             |                     |            |            |            |
|         | Siddhika Business Application Pvt. Ltd.                                                                               | 0.00                | 1.87       | 2.04       | 1.92       |
|         |                                                                                                                       |                     |            |            |            |
|         | Commission Paid                                                                                                       |                     |            |            |            |
|         | Siddhika Consulting and Investment OPC Pvt. Ltd.                                                                      | 5.26                | 5.95       | 1.00       | 0.00       |
|         |                                                                                                                       |                     |            |            |            |
|         | Rent Received                                                                                                         |                     |            |            |            |
|         | Siddhika Energy Pvt. Ltd.                                                                                             | 0.00                | 0.00       | 0.00       | 0.40       |
|         | Siddhika Foundation Trust                                                                                             | 0.00                | 0.06       | 0.00       | 0.00       |

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

# ANNEXURE – P

## RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Rs. in Lakh)

| Particulars                                                                              | For the Period ended | For the Year Ended |               |               |
|------------------------------------------------------------------------------------------|----------------------|--------------------|---------------|---------------|
|                                                                                          | 30.09.2020           | 31.03.2020         | 31.03.2019    | 31.03.2018    |
| Net Worth (A)                                                                            | 1718.55              | 1698.57            | 1457.33       | 1147.16       |
| Restated Earnings Before Interest Tax Depreciation and Amortization (EBITDA)             | 33.44                | 425.69             | 500.73        | 366.40        |
| Restated Profit after tax                                                                | 19.98                | 295.86             | 351.14        | 256.44        |
| Less: Prior Period Item                                                                  | 0.00                 | 0.00               | 0.00          | 0.00          |
| <b>Adjusted Profit after Tax (B)</b>                                                     | <b>19.98</b>         | <b>295.86</b>      | <b>351.14</b> | <b>256.44</b> |
| Number of Equity Share outstanding as on the End of Year/Period (C )                     | 22.66                | 22.66              | 2.27          | 2.27          |
| Weighted average number of equity shares at the end of the year/ period before bonus (D) | 2.27                 | 2.27               | 2.27          | 2.27          |
| Weighted average number of equity shares at the end of the year/ period after bonus (E ) | 22.66                | 11.65              | 2.27          | 2.27          |
| Current Assets (F)                                                                       | 1389.49              | 1777.89            | 1728.09       | 1208.70       |
| Current Liabilities (G)                                                                  | 369.99               | 549.85             | 553.71        | 353.39        |
| Face Value per Share                                                                     | 10.00                | 10.00              | 10.00         | 10.00         |
| Restated Basic and Diluted Earnings Per Share (Rs.) (Before Bonus) (B/D)                 | 8.82                 | 130.60             | 154.99        | 113.19        |
| Restated Basic and Diluted Earnings Per Share (Rs.) (After Bonus) (B/E)                  | 0.88                 | 25.40              | 154.99        | 113.19        |
| Return on Net worth (%) (B/A)                                                            | 1.16%                | 17.42%             | 24.09%        | 22.35%        |
| Net asset value per share (before Bonus) (A/D) (Face Value of Rs. 10 Each)               | 758.57               | 749.75             | 643.27        | 506.36        |
| Net assets value per share (after Bonus) (A/C)                                           | 75.86                | 74.98              | 643.27        | 506.36        |
| Current Ratio (F/G)                                                                      | 3.76                 | 3.23               | 3.12          | 3.42          |

Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) :- Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share :- Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year 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/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the consolidated restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## ANNEXURE – Q

### RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

| Particulars                                                                                                                                                                               | (Rs. in Lakh)  |                |            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|------------|
|                                                                                                                                                                                           | Pre Issue      | Pre Issue      | Post Issue |
|                                                                                                                                                                                           | 30.09.2020     | 31.03.2020     |            |
| Debt                                                                                                                                                                                      |                |                |            |
| Short Term Debt                                                                                                                                                                           | 0.00           | 0.00           | [●]        |
| Long Term Debt                                                                                                                                                                            | 32.50          | 32.50          | [●]        |
| <b>Total Debt</b>                                                                                                                                                                         | <b>32.50</b>   | <b>32.50</b>   | <b>[●]</b> |
| Shareholders' Fund (Equity)                                                                                                                                                               |                |                |            |
| Share Capital                                                                                                                                                                             | 226.55         | 226.55         | [●]        |
| Reserves & Surplus                                                                                                                                                                        | 1492.00        | 1472.02        | [●]        |
| Less: Miscellaneous Expenses not w/off                                                                                                                                                    | 0.00           | 0.00           | [●]        |
| <b>Total Shareholders' Fund (Equity)</b>                                                                                                                                                  | <b>1718.55</b> | <b>1698.57</b> | <b>[●]</b> |
| <b>Long Term Debt/Equity</b>                                                                                                                                                              | <b>0.02</b>    | <b>0.02</b>    | <b>[●]</b> |
| <b>Total Debt/Equity</b>                                                                                                                                                                  | <b>0.02</b>    | <b>0.02</b>    | <b>[●]</b> |
| Notes:                                                                                                                                                                                    |                |                |            |
| 1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2020 and 31/03/2020                                                   |                |                |            |
| 2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities |                |                |            |

3. Since this is initial stages of issuing the prospectus and the issue price of share is not known the post issue position cannot be presented and revised capitalization statement will be inserted at the final Prospectus stage.

## ANNEXURE – R

| RESTATED CONSOLIDATED STATEMENT OF TAX SHELTER |                                                                  |            |            |            |            |
|------------------------------------------------|------------------------------------------------------------------|------------|------------|------------|------------|
| (s. in Lakh)                                   |                                                                  |            |            |            |            |
| Particulars                                    |                                                                  | As at      |            |            |            |
|                                                |                                                                  | 30.09.2020 | 31.03.2020 | 31.03.2019 | 31.03.2018 |
| A                                              | Profit before taxes as restated                                  | 27.00      | 409.90     | 486.75     | 354.35     |
| B                                              | Tax Rate Applicable %                                            | 26.00      | 27.82      | 27.82      | 27.55      |
| C                                              | Tax Impact (A*B)                                                 | 7.02       | 114.03     | 135.41     | 97.63      |
|                                                | Adjustments:                                                     |            |            |            |            |
| D                                              | Permanent Differences                                            |            |            |            |            |
|                                                | Preliminary Expenses Related to Incorporation of Company         | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                | Donation                                                         | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                | Expenditure of Capital Nature disallowed                         | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                |                                                                  |            |            |            |            |
|                                                | Total Permanent Differences                                      | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                |                                                                  |            |            |            |            |
| E                                              | Timing Difference                                                |            |            |            |            |
|                                                | Difference between tax depreciation and book depreciation        | 0.53       | 1.78       | 0.57       | 3.05       |
|                                                | Preliminary Exp. Deffered in next Five years                     | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                | Keyman Insurance fully allowable                                 | 0          | 0.00       | 0.00       | 0.00       |
|                                                |                                                                  |            |            |            |            |
|                                                | Total Timing Differences                                         | 0.53       | 1.78       | 0.57       | 3.05       |
|                                                | Brought Forward Losses                                           | 0.00       | 0.00       | 0.00       | 0.00       |
|                                                |                                                                  |            |            |            |            |
| F                                              | Net Adjustment (F) = (D+E)                                       | 0.53       | 1.78       | 0.57       | 3.05       |
| G                                              | Tax Expenses/ (Saving) thereon (F*B)                             | 0.14       | 0.50       | 0.16       | 0.84       |
|                                                |                                                                  |            |            |            |            |
| H                                              | Tax Liability, After Considering the effect of Adjustment (C +G) | 7.16       | 114.53     | 135.57     | 98.47      |
|                                                | MAT Credit Utilized                                              | 0.00       | 0.00       | 0.00       | 0.00       |
| H                                              | Tax Liability, After Considering the effect of MAT Credit        | 7.16       | 114.53     | 135.57     | 98.47      |
|                                                |                                                                  |            |            |            |            |
| I                                              | Book Profit as per MAT *                                         | 27.00      | 409.90     | 486.75     | 354.35     |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        |                   |                   |                   |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| J                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | MAT Rate                                                                                               | 15.60             | 15.60             | 19.24             | 20.39             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        |                   |                   |                   |                   |
| <b>Particulars</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                        | <b>As at</b>      |                   |                   |                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        | <b>30.09.2020</b> | <b>30.09.2020</b> | <b>30.09.2020</b> | <b>30.09.2020</b> |
| K                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Tax liability as per MAT (I*J)                                                                         | 4.21              | 63.94             | 93.65             | 72.25             |
| L                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Current Tax being Higher of H or K                                                                     | 7.16              | 114.53            | 135.57            | 98.47             |
| M                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | MAT Credit Entitlement                                                                                 | 0.00              | 0.00              | 0.00              | 0.00              |
| N                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Tax expenses (L+M+N)                                                                             | 7.16              | 114.53            | 135.57            | 98.47             |
| O                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Total Tax as per Return of Income (Before Interest under Section 234A,B and C of Income Tax Act, 1961) | 0.00              | 0.00              | 0.00              | 0.00              |
| P                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company                                      | Normal            | Normal            | Normal            | Normal            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                        |                   |                   |                   |                   |
| * MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act,1961                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                        |                   |                   |                   |                   |
| Notes:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                        |                   |                   |                   |                   |
| 1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax r respective years stated above. The changes in the tax liability and the interest thereon arising on account of assesment proceedings, notices, appeals etc has been adjusted in the tax liability of the year to which the liability pertains. |                                                                                                        |                   |                   |                   |                   |
| 2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.                                                                                                                                                                                                                                                                      |                                                                                                        |                   |                   |                   |                   |

## ANNEXURE – S

| <b>RESTATED CONSOLIDATED STATEMENT OF CONTINGENT LIABILITIES</b>                                                     |                   |                   |                   |                   |
|----------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
| <b>(Rs. in Lakh)</b>                                                                                                 |                   |                   |                   |                   |
| <b>Particulars</b>                                                                                                   | <b>As at</b>      | <b>As at</b>      |                   |                   |
|                                                                                                                      | <b>30.09.2020</b> | <b>31.03.2020</b> | <b>31.03.2019</b> | <b>31.03.2018</b> |
| Contingent liabilities in respect of:                                                                                |                   |                   |                   |                   |
| Claims against the company not acknowledged as debts                                                                 | 0.00              | 0.00              | 0.00              | 0.00              |
| Guarantees given on Behalf of the Company                                                                            | 0.00              | 0.00              | 0.00              | 0.00              |
| Guarantees given on Behalf of the Subsidiary Company                                                                 | 0.00              | 0.00              | 0.00              | 0.00              |
| Other moneys for which the company is contingently liable                                                            | 0.00              | 0.00              | 0.00              | 0.00              |
| Commitments (to the extent not provided for)                                                                         | 0.00              | 0.00              | 0.00              | 0.00              |
| Estimated amount of contracts remaining to be executed on capital account and not provided for                       | 0.00              | 0.00              | 0.00              | 0.00              |
| Uncalled liability on shares and other investments partly paid                                                       | 0.00              | 0.00              | 0.00              | 0.00              |
| Other commitments                                                                                                    | 0.00              | 0.00              | 0.00              | 0.00              |
| <b>Total</b>                                                                                                         | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |
| 1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company. |                   |                   |                   |                   |

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

### CAPITALISATION STATEMENT

#### RESTATED CONSOLIDATED STATEMENT OF CAPITALISATION

|                                                                                                                                                                                                                                      |                |                | (Rs. in Lakh) |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------|---------------|
|                                                                                                                                                                                                                                      | Pre Issue      | Pre Issue      | Post Issue    |
| Particulars                                                                                                                                                                                                                          | 30.09.2020     | 31.03.2020     |               |
| Debt                                                                                                                                                                                                                                 |                |                |               |
| Short Term Debt                                                                                                                                                                                                                      | 0.00           | 0.00           | [●]           |
| Long Term Debt                                                                                                                                                                                                                       | 32.50          | 32.50          | [●]           |
| <b>Total Debt</b>                                                                                                                                                                                                                    | <b>32.50</b>   | <b>32.50</b>   | [●]           |
| Shareholders' Fund (Equity)                                                                                                                                                                                                          |                |                |               |
| Share Capital                                                                                                                                                                                                                        | 226.55         | 226.55         | [●]           |
| Reserves & Surplus                                                                                                                                                                                                                   | 1492.00        | 1472.02        | [●]           |
| Less: Miscellaneous Expenses not w/off                                                                                                                                                                                               | 0.00           | 0.00           | [●]           |
| <b>Total Shareholders' Fund (Equity)</b>                                                                                                                                                                                             | <b>1718.55</b> | <b>1698.57</b> | [●]           |
| <b>Long Term Debt/Equity</b>                                                                                                                                                                                                         | <b>0.02</b>    | <b>0.02</b>    | [●]           |
| <b>Total Debt/Equity</b>                                                                                                                                                                                                             | <b>0.02</b>    | <b>0.02</b>    | [●]           |
| Notes:                                                                                                                                                                                                                               |                |                |               |
| 1. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 30/09/2020 and 31/03/2020                                                                                              |                |                |               |
| 2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities                                            |                |                |               |
| 3. Since this is initial stages of issuing the prospectus and the issue price of share is not known the post issue position cannot be presented and revised capitalization statement will be inserted at the final Prospectus stage. |                |                |               |

## OTHER FINANCIAL INFORMATION

### RESTATED CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

| (Rs. in Lakh)                                                                            |                      |                    |               |               |
|------------------------------------------------------------------------------------------|----------------------|--------------------|---------------|---------------|
| Particulars                                                                              | For the Period ended | For the Year Ended |               |               |
|                                                                                          | 30.09.2020           | 31.03.2020         | 31.03.2019    | 31.03.2018    |
| Net Worth (A)                                                                            | 1718.55              | 1698.57            | 1457.33       | 1147.16       |
| Restated Earnings Before Interest Tax Depreciation and Amortization (EBITDA)             | 33.44                | 425.69             | 500.73        | 366.40        |
| Restated Profit after tax                                                                | 19.98                | 295.86             | 351.14        | 256.44        |
| Less: Prior Period Item                                                                  | 0.00                 | 0.00               | 0.00          | 0.00          |
| <b>Adjusted Profit after Tax (B)</b>                                                     | <b>19.98</b>         | <b>295.86</b>      | <b>351.14</b> | <b>256.44</b> |
| Number of Equity Share outstanding as on the End of Year/Period (C )                     | 22.66                | 22.66              | 2.27          | 2.27          |
| Weighted average number of equity shares at the end of the year/ period before bonus (D) | 2.27                 | 2.27               | 2.27          | 2.27          |
| Weighted average number of equity shares at the end of the year/ period after bonus (E ) | 22.66                | 11.65              | 2.27          | 2.27          |
| Current Assets (F)                                                                       | 1389.49              | 1777.89            | 1728.09       | 1208.70       |
| Current Liabilities (G)                                                                  | 369.99               | 549.85             | 553.71        | 353.39        |
| Face Value per Share                                                                     | 10.00                | 10.00              | 10.00         | 10.00         |
| Restated Basic and Diluted Earnings Per Share (Rs.) (Before Bonus) (B/D)                 | 8.82                 | 130.60             | 154.99        | 113.19        |
| Restated Basic and Diluted Earnings Per Share (Rs.) (After Bonus) (B/E)                  | 0.88                 | 25.40              | 154.99        | 113.19        |
| Return on Net worth (%) (B/A)                                                            | 1.16%                | 17.42%             | 24.09%        | 22.35%        |
| Net asset value per share (before Bonus) (A/D) (Face Value of Rs. 10 Each)               | 758.57               | 749.75             | 643.27        | 506.36        |
| Net assets value per share (after Bonus) (A/C)                                           | 75.86                | 74.98              | 643.27        | 506.36        |
| Current Ratio (F/G)                                                                      | 3.76                 | 3.23               | 3.12          | 3.42          |

Note:

- 1) The ratios have been computed as below:
  - (a) Basic earnings per share (Rs.) : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year
  - (b) Diluted earnings per share (Rs.) : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS
  - (c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year
  - (d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year
  - (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)
- 2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year 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/year.
- 3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 4) The figures disclosed above are based on the consolidated restated summary statements of the Company.
- 5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

## FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings as on February 08, 2021 together with a brief description of certain significant terms / material covenants of the relevant financing arrangements.

| <b>Nature of Borrowing</b> | <b>Amount Outstanding as on February 08, 2021 (Rs. in Lakhs)</b> |
|----------------------------|------------------------------------------------------------------|
| Unsecured Borrowings       | 32.50                                                            |
| Outstanding Bank Guarantee | 33.76                                                            |
| <b>Total</b>               | <b>66.26</b>                                                     |

### Details of Unsecured Loans

| <b>Name of Lenders</b>                | <b>Amount Outstanding as on February 08, 2021 (Rs. in Lakhs)</b> |
|---------------------------------------|------------------------------------------------------------------|
| Loan from Directors-Abhijeet Banerjee | 32.50                                                            |

### Details of Bank Guarantee

The outstanding Bank Guarantee for Working Capital Facility of Rs. 33.76 Lakhs from Andhra Bank has been converted into 100% cash margin as on February 08, 2021.

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

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Statements which have been included in this Draft Prospectus. The following discussion and analysis of our financial condition and results of operations is based on our Restated Financial Statements for the half year ended September 30, 2020 and years ended March 31, 2020, 2019 and 2018 including the related notes and reports, included in this Draft Prospectus prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Financial Statements, as restated have been derived from our audited financial statements for the respective years. Accordingly, the degree to which our Restated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year ("Fiscal Year") are to the twelve-month period ended March 31 of that year.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 29 and [●] respectively, and elsewhere in this Draft Prospectus.*

**OVERVIEW**

Siddhika Coatings Limited is a strategic channel partner in India for SK Kaken Ltd. ('SKK') and an authorised importer of its products through SKK Singapore Pte. Ltd. SKK is a renowned coatings and pigments manufacturer based in Japan. Having been associated with SKK for over 15 years, we have gained the reputation of being one of the well-known suppliers of their products in India. We also provide application services which include preparing and coating interior as well as exterior surfaces of civil structures using organic and inorganic architectural textured pigments and technical-grade functional coatings. Currently, we are placed as one of the older marketers for SKK products and its specialist paint and application service providers in India.

With our head office based in New Delhi, over the years, we have set up various branch offices across the country to expand our reach to customers and have built a commendable service record with clients from various regions. Our prestigious and frequent clients include various eminent architects, real estate developers as well as government and private entities in India. Our PAN India network of application specialists, enabled us to execute projects for big names across various industries over the past decade.

**SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR**

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this draft prospectus, there have not arisen any circumstance that materially and adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors of the Company approved the sale of Property located at 1034, Gali No. 9, Govind Puri in their meeting held on August 31, 2020.

2. Resignation of Mr. Akhand Pratap Singh w.e.f. December 3, 2020 and appointment of New Independent Director of Mr. Ashish Kumar Tiwari w.e.f. December 3, 2020.
3. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on December 03, 2020, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
4. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Annual General Meeting held on December 15, 2020 authorized the Issue.

## KEY FACTORS AFFECTING THE RESULTS OF OPERATION

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 29 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. Financial Market Risks
2. Interest Rate Risk
3. Effect of Inflation
4. International Risk
5. Seasonality and Weather Conditions
6. Competition
7. Product sourcing and application capabilities to meet evolving preferences in the Indian paint industry
8. The economic environment, regulatory intervention and impact of COVID-19 outbreak.

## OUR SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer Significant Accounting Policies, “Annexure- IV” beginning under Chapter titled “Financial Information” beginning on page no. 156 of this draft prospectus.

## CHANGE IN ACCOUNTING POLICIES IN PREVIOUS 3 (THREE) YEARS

Except as mentioned in chapter “Financial Information” on page no. 156 of this Draft Prospectus, there has been no change in accounting policies in last 3 (three) years.

## DISCUSSION ON RESULTS OF OPERATION:

### Revenues:

#### **Income from operations:**

Our principal component of revenue from operations is from Paint & Coating application contracts that we get from institutions and MNCs throughout India.

### Other income:

Our other income includes Interest Income, Rent received, Dividend income, Interest on TDS refund, GST input tax, and Gain from sale of investment.

### Expenditure:

Our total expenditure primarily consists of direct expenses, employee benefit expenses, finance cost, depreciation and other expenses.

### Direct Expenses:

Our direct expenses comprises of purchase of Stock in trade, which in our case is paints and coatings, and application labour.

### Employee Benefit Expenses:

Our employee benefit expenses consist of salary to director, salary to staff and staff welfare expenses.

### Finance cost:

Our finance cost primarily consists of bank charges.

### Depreciation:

Depreciation includes depreciation on tangible assets.

### Other Expenses:

Other expenses include Audit fees, Freight expenses, Production expenses, Insurance, Rent, rates & taxes, Electricity, travelling, Printing & Courier charges, ROC fees, Sampling expense, job work charges, Legal and professional fees etc.

The following tables sets forth financial data from our restated consolidated financial statement of profit and loss for the financial years 2020,2019,2018 and for the Half Year ended September 30, 2020, the components of which are also expressed as a percentage of total revenue for such periods:

| (Rs. in Lakh)                                    |               |                    |
|--------------------------------------------------|---------------|--------------------|
| Particulars – Half Year ended September 30, 2020 | 30.09.2020    | % of Total Revenue |
| <b>Incomes:</b>                                  |               |                    |
| Revenue from Operations                          | 603.88        | 98.25%             |
| Other income                                     | 10.78         | 1.75%              |
| <b>Total Revenue</b>                             | <b>614.65</b> | <b>100.00%</b>     |
|                                                  |               |                    |

| Particulars – Half Year ended September 30, 2020                                 | 30.09.2020    | % of Total Revenue |
|----------------------------------------------------------------------------------|---------------|--------------------|
| <b>Expenses:</b>                                                                 |               |                    |
| Direct Expenses                                                                  | 180.01        | 29.29%             |
| Employee Benefit expenses                                                        | 178.26        | 29.00%             |
| Finance Cost                                                                     | 0.94          | 0.15%              |
| Depreciation and amortization expenses                                           | 6.44          | 1.05%              |
| Other Expenses                                                                   | 222.00        | 36.12%             |
| <b>Total Expense</b>                                                             | <b>587.66</b> | <b>95.61%</b>      |
|                                                                                  |               |                    |
| <b>Restated Profit before exceptional and extraordinary items and tax</b>        | <b>27.00</b>  | <b>4.39%</b>       |
| Exceptional Items                                                                | -             | 0.00%              |
| Extraordinary items                                                              | -             | 0.00%              |
|                                                                                  |               |                    |
| <b>Restated Profit/(Loss) before tax</b>                                         | <b>27.00</b>  | <b>4.39%</b>       |
| <b>Tax expenses/(income)</b>                                                     |               |                    |
| Current Tax                                                                      | 7.16          | 1.16%              |
| Deferred Tax                                                                     | (0.14)        | -0.02%             |
| MAT Credit                                                                       | -             | 0.00%              |
| <b>Total tax expenses</b>                                                        | <b>7.02</b>   | <b>1.14%</b>       |
|                                                                                  |               |                    |
| <b>Restated profit/(loss) after Tax before Minority Interest</b>                 | <b>19.98</b>  | <b>3.25%</b>       |
| <b>Add: Share of Profit of Associate Company</b>                                 | -             | 0.00%              |
| Elimination of Unrealized Profit on Transactions with Associates during the year | -             | 0.00%              |
| <b>Less: Share of Profit/(Loss) of Minority</b>                                  | -             | 0.00%              |
| <b>Profit attributable to Shareholders</b>                                       | <b>19.98</b>  | <b>3.25%</b>       |

### **Total Revenue:**

### **Revenue of Operations:**

The income from operations was Rs. 603.88 Lakh which is about 98.25% of our total revenue for the half year ended on September 30, 2020.

### **Other Income:**

Our other income was Rs. 10.78 Lakh which includes Interest Income, Rent received, Dividend income, Interest on TDS refund, GST input tax, and Gain from sale of investment.

### **Expenditure:**

Our total expenditure primarily consists of direct expenditure i.e. direct expenses, finance cost, employee benefit expenses, depreciation and other expenses.

## Direct Expenses

Our direct expenses for the half year ended on September 30, 2020 were Rs 180.01 Lakhs. The Direct expenses were 29.29% of total revenue.

## Employee Benefit Expenses

Employee Benefit expenses was Rs. 178.26 Lakh for the half year ended on September 30, 2020. The Employee Benefit expense was 29.00% of total revenue.

## Finance Costs

Finance Costs for the half year ended on September 30, 2020 is Rs. 0.94 Lakh. During this period, the Finance cost was 0.15% of total revenue.

## Depreciation

Depreciation on fixed assets for the Half Year ended on September 30, 2020 was 1.05% of total revenue. The total depreciation for the period was Rs. 6.44 Lakh.

## Other Expenses

Other Expenses were Rs. 222 Lakh for the half year ended on September 30, 2020. The Other Expenses was 36.12% of total revenue.

## Restated profit after tax from continuing operations

Our Net Profit after tax for the half year ended on September 30, 2020 was at Rs. 19.98. During this period, our Company recorded PAT margin of 3.25%.

## For the year ended March 31, 2020, 2019 and 2018

(Rs. in Lakhs)

| Particulars                            | 31.03.2020      | 31.03.2019      | 31.03.2018      |
|----------------------------------------|-----------------|-----------------|-----------------|
| <b>Incomes:</b>                        |                 |                 |                 |
| Revenue from Operations                | 3012.53         | 3194.24         | 2197.63         |
| % of total revenue                     | 99.04%          | 99.08%          | 99.23%          |
| Other income                           | 29.25           | 29.50           | 17.02           |
| % of total revenue                     | 0.96%           | 0.92%           | 0.77%           |
| <b>Total Revenue</b>                   | <b>3,041.78</b> | <b>3,223.74</b> | <b>2,214.65</b> |
| <b>Expenses:</b>                       |                 |                 |                 |
| Direct Expenses                        | 909.91          | 1022.96         | 545.4           |
| % of total revenue                     | 29.91%          | 31.73%          | 24.63%          |
| Employee Benefit expenses              | 502.93          | 420.47          | 334.42          |
| % of total revenue                     | 16.53%          | 13.04%          | 15.10%          |
| Finance Cost                           | 4.62            | 4.98            | 4.29            |
| % of total revenue                     | 0.15%           | 0.15%           | 0.19%           |
| Depreciation and amortization expenses | 15.79           | 13.99           | 12.05           |

| Particulars                                                                      | 31.03.2020      | 31.03.2019      | 31.03.2018      |
|----------------------------------------------------------------------------------|-----------------|-----------------|-----------------|
| % of total revenue                                                               | 0.52%           | 0.43%           | 0.54%           |
| Other Expenses                                                                   | 1,198.64        | 1,274.59        | 964.14          |
| % of total revenue                                                               | 39.41%          | 39.54%          | 43.53%          |
| <b>Total Expense</b>                                                             | <b>2,631.88</b> | <b>2,737.00</b> | <b>1,860.30</b> |
| % of total revenue                                                               | 86.52%          | 84.90%          | 84.00%          |
| <b>Restated Profit before exceptional and extraordinary items and tax</b>        | <b>409.90</b>   | <b>486.75</b>   | <b>354.35</b>   |
| % of total revenue                                                               | 13.48%          | 15.10%          | 16.00%          |
| Exceptional Items                                                                | -               | -               | -               |
| Extraordinary items                                                              | -               | -               | -               |
|                                                                                  |                 |                 |                 |
| <b>Restated Profit/(Loss) before tax</b>                                         | <b>409.90</b>   | <b>486.75</b>   | <b>354.35</b>   |
| % of total revenue                                                               | 13.48%          | 15.10%          | 16.00%          |
| <b>Tax expenses/(income)</b>                                                     |                 |                 |                 |
| Current Tax                                                                      | 114.53          | 135.57          | 98.47           |
| Deferred Tax                                                                     | -0.50           | -0.16           | -0.84           |
| Short/(Excess) Tax adjustment of Prior Years                                     | 0.00            | 0.20            | 0.28            |
| <b>Total tax expenses</b>                                                        | <b>114.03</b>   | <b>135.61</b>   | <b>97.91</b>    |
|                                                                                  |                 |                 |                 |
| <b>Restated profit/(loss) after Tax before Minority Interest</b>                 | <b>295.86</b>   | <b>351.14</b>   | <b>256.44</b>   |
| % of total revenue                                                               | 9.73%           | 10.89%          | 11.58%          |
| Add: Share of Profit of Associate Company                                        | -               | -               | -               |
| Elimination of Unrealized Profit on Transactions with Associates during the year | -               | -               | -               |
| Less: Share of Profit/(Loss) of Minority                                         | -               | -               | -               |
| <b>Profit attributable to Shareholders</b>                                       | <b>295.86</b>   | <b>351.14</b>   | <b>256.44</b>   |
| % of total revenue                                                               | 9.73%           | 10.89%          | 11.58%          |

## COMPARISON OF FY 2020 WITH FY 2019

### Total Revenue:

#### Revenue of Operations:

The revenue from operations for the FY 2020 was Rs.3012.53 Lakhs as compared to Rs.3194.24 Lakhs during the FY 2019 showing a minor decrease of 5.68%.

#### Other Income:

Our other income was for the FY 2020 was Rs.29.25 Lakhs as compared to Rs.29.50 Lakhs during the FY 2019 showing a minor decrease of 0.84%.

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**Expenditure:****Direct Expenses**

Direct Benefit expenses for the FY 2020 was Rs. 909.91 Lakh as compared to Rs. 1022.96 Lakh during the FY 2019 showing a decrease of 11.05%.

**Employee Benefit Expenses**

Employee Benefit expenses for the FY 2020 was Rs. 502.93 Lakh as compared to Rs. 420.47 Lakh during the FY 2019 showing an increase of 19.61%.

**Finance Cost**

Finance Cost decreased from Rs 4.98 Lakh in FY 2019 to Rs 4.62 Lakh in FY 2020 which is a decline of 7.25%.

**Depreciation and Amortisation**

The total depreciation during FY 2020 was Rs. 15.79 Lakh and during FY 2019 it was Rs. 13.99 Lakh showing an increase of 12.89% over previous year.

**Other Expenses**

Other Expenses for the FY 2020 was Rs. 1198.64 Lakh as compared to Rs. 1274.59 Lakh during the FY 2019 showing a minor decrease of 5.9%.

**Profit before Tax (PBT)**

The PBT for the FY 2020 stood at 13.48% of the total revenue as against PBT margin of 15.10% of the total revenue for the FY 2019. There was a decrease of 15.79% in PBT of FY 2020 in comparison to PBT of FY 2019.

**Profit after Tax**

The company has earned a profit of Rs. 295.86 Lakh in the FY 2020 as against Rs. 351.14 Lakh in the FY 2019. There was a decrease of 15.74% in PAT of FY 2020 in comparison to PAT of FY 2019.

**COMPARISON OF FY 2019 WITH FY 2018****Total revenue:****Revenue of Operations:**

The revenue from operations for the FY 2019 was Rs.3194.24 Lakhs as compared to Rs.2197.63 Lakhs during the FY 2018 showing a major increase of 45.35%.

**Other Income:**

Our other income was for the FY 2019 was Rs.29.50 Lakhs as compared to Rs.17.02 Lakhs during the FY 2018 showing increase of 73.28%.

**Expenditure:****Direct Expenses**

Direct expenses increased to Rs. 1022.96 Lakh in FY 2019 from that of Rs. 545.4 Lakh in FY 2018 showing increment of 87.56%.

**Employee Benefit Expenses**

Employee Benefit expenses increased to Rs. 420.27 Lakh in FY 2019 from that of Rs. 224.42 Lakh in FY 2018 showing increment of 25.73% on account of increase in salary/wages.

**Finance Cost**

Finance Cost was almost same at Rs 4.98 Lakh in FY 2019 compared to Rs. 4.29 Lakh in FY 2018, showing an increase of 15.99%

**Depreciation**

The total depreciation during FY 2019 was Rs. 13.99 Lakh and during FY 2018 it was Rs. 12.05 Lakh. Showing an increase of 16.07%

**Other Expenses**

Other Expenses increased to Rs. 1274 Lakh in FY 2019 from that of Rs. 964.14 Lakh in FY 2018 showing an increase of 32.2%.

**Profit before Tax (PBT)**

The PBT for the FY 2019 was 15.10% of the total revenue as against that of 16% of total revenue for the FY 2018. The PBT increased by 37.36% on account of increase in Revenues and less than proportionate increase in Expenses.

**Profit after Tax**

There was a Profit of Rs. 351.14 Lakh in FY 2019 as against to a Profit of Rs. 256.44 Lakh in FY 2018 showing a growth of 36.93%.

**Related Party Transactions**

For further information please refer Annexure- O under Chapter titled “*Financial Statements*” of our Company beginning on page 156 of this draft prospectus.

**OTHER MATTERS****1. Unusual or infrequent events or transactions.**

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes arising from the trends identified above in the uncertainties described in the section entitled 'Risk Factors' beginning on page no. [●] of this Draft Prospectus. To our knowledge, except as we have described in this Draft Prospectus, there are no known factors which we expect to bring about significant economic changes.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations**

Apart from the risks as disclosed under Section titled "Risk Factors" beginning on page no. 29 in 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.

**4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known**

Our Company's future costs and revenues will be determined by demand/supply situation, government policies.

**5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of business.

**6. Total turnover of each major industry segment in which the issuer company operated**

For details on the total turnover of the industry please refer to Chapter titled "Industry Overview" beginning on page no. 100 of this Draft Prospectus.

**7. Status of any publicly announced new product or business segment**

Our Company has not announced any new product and segment.

**8. The extent to which business is seasonal**

Our business is linked to the weather cycle and is, therefore, seasonal in nature only to extent of Monsoon season when sale is lower. The period during which our business may experience higher revenues varies from season to season. Please refer section titled 'Risk Factors' beginning on page no. [●] of this Draft Prospectus more details.

**9. Any significant dependence on a single or few suppliers or customers.**

To the best of our information, as on the date of this draft prospectus we are dependent on a single supplier being SKK (S) Pte Ltd. Comprising of 85.94% of our purchase volumes for Half Year ended September 30, 2020 Further, our top ten clients contributes 45.02% of revenue of operations as on Half Year ended September 30, 2020.

**10. Competitive conditions:**

Competitive conditions are as described under the Chapters titled “*Industry Overview*” and “*Our Business*” beginning on pages no. 100 and 109 respectively of this Draft Prospectus.

Note:

1. To the best of our knowledge our Company has not deviated from statutorily prescribed manner for recording sales and revenues.
2. There was no miscellaneous income or expenditure received/accrued during the half year ended.

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**SECTION VIII – LEGAL AND OTHER INFORMATION****OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

*Except as stated in this section, there are no:*

*A. (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims relating to direct and indirect taxes; or (iv) Material Litigation (as defined below) involving our Company, its Subsidiary, Directors or Promoter; (v) outstanding dues to MSMEs and other creditors (vi) Material Dues (as defined below) to creditors;*

*In relation to (iv) above, our Board, at its meeting held on January 12, 2021 has determined Material Litigation as:*

- a. the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or*
- b. where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and*
- c. any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company .*

*Except as stated in this section, there are no outstanding litigation involving our Group Companies, the outcome of which would have a material impact on our Company.*

*In relation to (vi) above, our Board, at its meeting held on January 12, 2021 has determined 'Material Dues' as:*

*Outstanding dues to creditors in excess of 10% of the total consolidated trade payables of the Company as per the latest audited financial statements of the Company.*

*Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at [www.siddhika.com](http://www.siddhika.com) .*

*It is clarified that for the purposes of the above, pre-litigation notices received by our Company, Subsidiary, Directors or Promoter shall, unless otherwise decided by the Board, not be considered as litigation until such time that our Company or any of its Subsidiary, Directors or Promoter, as the case may be, is impleaded as a defendant in litigation before any judicial forum.*

*Except as disclosed herein, our Company, its Directors and Promoter are not Willful Defaulters and there have been no violations of securities laws in the past or pending against them.*

**A. LITIGATION RELATING TO THE COMPANY**

**1. FILED AGAINST THE COMPANY:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation Involving Tax Liabilities**

**(i) Direct Tax**

NIL

**(ii) Indirect Tax**

NIL

**D. Other Pending Litigations:**

NIL

**2. CASES FILED BY OUR COMPANY:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**Part III - LITIGATION RELATING TO THE DIRECTORS AND PROMOTER OF OUR COMPANY:**

**1. CASES FILED AGAINST OUR PROMOTER AND DIRECTORS:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**2. CASES FILED BY OUR PROMOTER AND DIRECTORS:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**Part IV- LITIGATION RELATING TO OUR SUBSIDIARY COMPANY:**

**1. CASES FILED AGAINST SUBSIDIARY COMPANY:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

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**2. FILED BY THE SUBSIDIARY COMPANY:**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**Part V- LITIGATION RELATING TO OUR GROUP COMPANIES (OTHER THAN CORPORATE PROMOTER AND SUBSIDIARY):**

**1. CASES FILED AGAINST OUR GROUP COMPANIES**

**A. Litigation Involving Criminal Laws**

NIL

**B. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**C. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities**

NIL

**(ii) Indirect Taxes Liabilities**

NIL

**D. Other Pending Litigations**

NIL

**2. FILED BY THE GROUP COMPANIES:**

**B. Litigation Involving Criminal Laws**

NIL

**D. Litigation Involving Actions by Statutory/Regulatory Authorities**

NIL

**E. Litigation involving Tax Liabilities**

**(iii) Direct Tax Liabilities**

NIL

**(iv) Indirect Taxes Liabilities**

NIL

**C. Other Pending Litigations**

NIL

**OUTSTANDING DUES TO THE CREDITORS**

Our Board has, pursuant to its resolution dated January 20, 2021, approved that all other creditors of our Company to whom the amount due by our Company exceeds ₹ 80.24 thousand, i.e. 10% of trade payables of our Company as on latest audited financial statement i.e September 30, 2020 as per the Restated Financial Information of our Company shall be considered "material" creditors of our Company.

The outstanding dues owed to small scale undertakings and such other material creditors, separately, giving details of number of cases and amounts for all such dues as on September 30, 2020, is set out below:

| Particulars                         | Number of cases | Amount Outstanding |
|-------------------------------------|-----------------|--------------------|
| Material Dues to Creditors          | 1               | 2,87,744           |
| Outstanding dues to MSMEs           | -               | -                  |
| Outstanding dues to other creditors | 46              | 5,14,626.66        |

The details pertaining to net outstanding dues towards our Material Creditors and Small Scale Undertakings shall be made available under investors' section on the website of our Company i.e. **Error! Hyperlink reference not valid.** It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, **Error! Hyperlink reference not valid.** would be doing so at their own risk.

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the section "*Management's Discussion and Analysis of Financial Position and Result of Operation*" on page no. 191 of this Draft Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OTHER MATTERS**

Details of any inquiry, inspection or investigation initiated under present or previous companies laws in last five years against the company or its subsidiary: NIL

Outstanding litigation against other companies or any other person whose outcome could have an adverse effect on our company: NIL

Disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoter in the last five financial years including outstanding action: NIL

Our Company or its promoter or its directors has never been declared as a willful defaulter.

## GOVERNMENT AND OTHER KEY APPROVALS

*Our Company have received the necessary consents, licenses, permissions and approvals from the Central and State Governments and various governmental agencies/ regulatory authorities'/ certification bodies required to undertake this Issue and for our present business and except as mentioned below, no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.*

### 1) Approvals for the Proposed Issue:

1. The Board of Directors has, pursuant to a resolution passed at its Meeting held on December 03, 2020, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
2. The shareholders of the Company have, pursuant to a special resolution passed in Annual general meeting held on December 15, 2020, authorized the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
3. Our Board approved this Draft Prospectus pursuant to its resolution dated February 09, 2021;
4. The Company has obtained in-principle listing approval dated [●] from NSE for using its name in this offer document for listing of our shares on the SME Platform of National Stock Exchange Of India Limited (NSE EMERGE).
5. The Company has entered into an agreement dated December 19, 2019 with the Central Depository Services (India) Limited ("CDSL") and Skyline Financial Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
6. The Company has entered into an agreement dated August 09, 2019 with the National Securities Depository Limited ("NSDL") and Skyline Financial Services Private Limited, the Registrar and Transfer Agent for the dematerialization of its shares.
7. The Company's International Securities Identification Number ("ISIN") is INE0A1E01018.

Following table sets out the details of licenses, permissions and approvals obtained under various Central and State Laws for carrying out its business.

**2) Registration obtained under the Companies Act, 1956 and 2013:**

| Sr. No. | Nature of Registration/ License                                                                                                    | Registration /License No. | Applicable Laws     | Issuing Authority                 | Date of issue    | Date of Expiry       |
|---------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------|-----------------------------------|------------------|----------------------|
| 1.      | Certificate of Incorporation                                                                                                       | U45400DL2010PTC206024     | Companies Act, 1956 | Registrar of Companies, NCT Delhi | July 20, 2010    | Valid till cancelled |
| 2.      | Fresh Certificate of Incorporation consequent upon conversion from Siddhika Coatings Private Limited to Siddhika Coatings Limited. | U45400DL2010PLC206024     | Companies Act, 2013 | Registrar of Companies, NCT Delhi | January 14, 2020 | Valid till cancelled |

**3) Registration under various Tax related Acts/Rules relating:**

| Sr.No. | Nature of Registration/ License              | Registration/ License No. | Issuing Authority          | Initial date of issue | Date of Expiry       |
|--------|----------------------------------------------|---------------------------|----------------------------|-----------------------|----------------------|
| 1.     | Permanent Account Number (PAN)               | AAOCS6129D                | Income Tax Department, GoI | January 30, 2020      | Valid till cancelled |
| 2.     | Tax Deduction Account Number (TAN)           | DELS42965G                | Income Tax Department, GoI | January 21, 2020      | Valid till cancelled |
| 3.     | Certificate of Goods & Service Tax-Delhi     | 07AAOCS6129D1Z8           | Government of India        | September 18, 2017    | Valid till cancelled |
| 4.     | Certificate of Goods & Service Tax-Bangalore | 29AAOCS6129D1Z2           | Government of India        | January 21, 2019      | Valid till cancelled |
| 5.     | Certificate of Goods & Service Tax-Rajasthan | 08AAOCS6129D1Z6           | Government of India        | September 20, 2017    | Valid till cancelled |
| 6.     | Certificate of Goods & Service Tax-Gujarat   | 24AAOCS6129D1ZC           | Government of India        | September 19, 2017    | Valid till cancelled |

| Sr.No. | Nature of Registration/ License                                                                              | Registration/ License No. | Issuing Authority                          | Initial date of issue | Date of Expiry       |
|--------|--------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------------------|-----------------------|----------------------|
| 7.     | Certificate of Goods & Service Tax- Himachal Pradesh                                                         | 02AAOCS6129D1ZI           | Government of India                        | July 17, 2018         | Valid till cancelled |
| 8.     | Certificate of Goods & Service Tax- U.P                                                                      | 09AAOCS6129D1Z4           | Government of India                        | September 22, 2017    | Valid till cancelled |
| 9.     | Certificate of Goods & Service Tax- Haryana                                                                  | 06AAOCS6129D1ZA           | Government of India                        | September 21, 2017    | Valid till cancelled |
| 10.    | Certificate of Goods & Service Tax- Tamil Nadu                                                               | 33AAOCS6129D1ZD           | Government of India                        | September 20, 2017    | Valid till cancelled |
| 11.    | Certificate of Goods & Service Tax- West Bengal                                                              | 19AAOCS6129D1Z3           | Government of India                        | December 23, 2017     | Valid till cancelled |
| 12.    | Certificate of Goods & Service Tax- Uttarakhand                                                              | 05AAOCS6129D1ZC           | Government of India                        | July 16, 2018         | Valid till cancelled |
| 13.    | Certificate of Goods & Service Tax- Maharashtra                                                              | 27AAOCS6129D1Z6           | Government of India                        | September 22, 2017    | Valid till cancelled |
| 14.    | Certificate of Goods & Service Tax- Telangana                                                                | 36AAOCS6129D1Z7           | Government of India                        | September 18, 2018    | Valid till cancelled |
| 15.    | Certificate of Enrolment under the Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976. | 29661279273               | Assistant Commissioner of Commercial Taxes | July 23, 2015         | Valid till cancelled |

| Sr.No. | Nature of Registration/ License                                                                                         | Registration/ License No. | Issuing Authority                                       | Initial date of issue | Date of Expiry       |
|--------|-------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------------------------------------------|-----------------------|----------------------|
| 16.    | Certificate of Registration under the West Bengal State Tax on Professions, Trades, callings and Employment Rules, 1979 | 191008073510              | Professional Tax Officer, WB Central Unit-I, salt Lake  | June 20, 2020         | Valid till cancelled |
| 17.    | Certificate of Enrolment under the West Bengal State Tax on Professions, Trades, callings and Employment Rules, 1979    | 192127274157              | Professional Tax Officer, WB Central Unit-I, salt Lake  | June 20, 2020         | Valid till cancelled |
| 18.    | Importer-Exporter Code (IEC)                                                                                            | 0512009520                | Foreign Trade Development Officer, Ministry of Commerce | May 04, 2012          | Valid till cancelled |

#### 4) Licenses/ Approvals under Industrial and Labour Laws:

| Sr. No. | Nature of Registration/ License                   | Registration/License No. | Applicable Laws                        | Issuing Authority                                                       | Date of issue     | Date of Expiry       |
|---------|---------------------------------------------------|--------------------------|----------------------------------------|-------------------------------------------------------------------------|-------------------|----------------------|
| 1.      | Registration Certificate of Establishment (Delhi) | 2016067766               | Delhi Shops & Establishments Act, 1954 | Department of Labour, Government of National Capital Territory of Delhi | October 28, 2016  | Valid till cancelled |
| 2.      | Employee State Insurance-Delhi                    | 20-00-115928-000-0999    | ESI Act, 1948                          | Employee State Insurance Corporation                                    | November 21, 2011 | Valid till cancelled |

| Sr. No. | Nature of Registration/ License      | Registration/Lic ense No. | Applicable Laws    | Issuing Authority                     | Date of issue     | Date of Expiry        |
|---------|--------------------------------------|---------------------------|--------------------|---------------------------------------|-------------------|-----------------------|
| 3.      | Employees Provident Fund- Delhi      | DSNHP09005400             | EPF & MP Act, 1952 | Employees Provident Fund Organisation | December 12, 2011 | Valid till cancell ed |
| 4.      | Employee State Insurance - Bangalore | 53201159280010999         | ESI Act. 1948      | Employee State Insurance Corporation  | July 06, 2017     | Valid till cancell ed |
| 5.      | Employees Provident Fund - Bangalore | PYKRP1618326000           | EPF & MP Act. 1952 | Employees Provident Fund Organisation | June 18, 2020     | Valid till cancell ed |
| 6.      | Employee State Insurance - Faridabad | 13201159280010999         | ESI Act. 1948      | Employee State Insurance Corporation  | June 17, 2017     | Valid till cancell ed |
| 7.      | Employees Provident Fund -Faridabad  | HRFBD1618324000           | EPF & MP Act. 1952 | Employees Provident Fund Organisation | June 18, 2020     | Valid till cancell ed |
| 8.      | Employee State Insurance - Ghaziabad | 67201159280010999         | ESI Act. 1948      | Employee State Insurance Corporation  | June 17, 2017     | Valid till cancell ed |
| 9.      | Employees Provident Fund - Ghaziabad | MRMRT1618279000           | EPF & MP Act. 1952 | Employees Provident Fund Organisation | July 06, 2017     | Valid till cancell ed |
| 10.     | Employee State Insurance - Kolkata   | 41201159280010999         | ESI Act. 1948      | Employee State Insurance Corporation  | June 17 2017      | Valid till cancell ed |
| 11.     | Employees Provident Fund - Kolkata   | WBCAL1618279000           | EPF & MP Act. 1952 | Employees Provident Fund Organisation | June 18, 2020     | Valid till cancell ed |

| Sr. No. | Nature of Registration/ License | Registration/Lic ense No. | Applicable Laws | Issuing Authority                    | Date of issue  | Date of Expiry        |
|---------|---------------------------------|---------------------------|-----------------|--------------------------------------|----------------|-----------------------|
| 12.     | Employee State Insurance -Pune  | 33201159280040 999        | ESI Act. 1948   | Employee State Insurance Corporation | April 07, 2017 | Valid till cancell ed |

#### 5) Domain Registration Details:

| S. No. | Domain Name and ID                              | Sponsoring Registrar and IANA ID  | Creation Date    | Expiry Date      |
|--------|-------------------------------------------------|-----------------------------------|------------------|------------------|
| 1.     | www.siddhika.com<br>1683316570_DOMAIN _COM-VRSN | GoDaddy.com, LLC<br>IANA ID - 146 | October 21, 2011 | October 21, 2023 |

#### 6) Intellectual Property

Company does not own any trademark and copyright. Please refer to section titled “Risk Factors” on page no. 29 of this Draft Prospectus.

#### 7) *Approvals applied for but not yet received / Renewals made in the usual course of business: (other than those indicated under point 4)- NIL*

#### 8) *Material licenses / approvals for which our Company is yet to apply for:*

- i. The Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976.
- ii. The Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975.
- iii. Tamil Nadu Tax on Professions, Trades, Callings and Employments Act, 1992
- iv. The Telangana Tax on Profession Trade, Calling and Employment Act, 1987
- v. Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976. ( Certificate of Registration)

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**SECTION IX – OTHER REGULATORY AND STATUTORY DISCLOSURES**

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**AUTHORITY FOR THE ISSUE**

The issue has been authorised by the Board of Directors vide a resolution passed at its Meeting held on December 03, 2020 subject to the approval of the shareholders of the Company and such other authorities, as may be necessary.

The shareholders of the Company have, pursuant to a special resolution passed in Annual General Meeting held on December 15, 2020 authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.

We have received in principle approval from National Stock Exchange Of India Limited vide their letter dated [●] to use the name of National Stock Exchange Of India Limited in the Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange Of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this issue.

**PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES**

We confirm that our Company, our Directors, our Promoter, our Promoter Groups, Person in control of our Promoter or Company, are not prohibited from accessing or operating in the capital markets or debarred from buying, selling, or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court as on the date of this Draft Prospectus.

**CONFIRMATIONS**

1. We confirm that our company, our Promoter, our Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
2. None of our Directors in any manner are associated with any entities which are engaged in securities market.
3. There has been no action taken by SEBI against any of our Directors or any entity with which our Directors are associated as Promoter or directors.

**PROHIBITION BY RBI OR GOVERNMENTAL AUTHORITY**

Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Companies/Entities have been identified as wilful defaulters by the RBI or any other governmental authority.

**ELIGIBILITY FOR THIS ISSUE**

Our Company is eligible for the issue in accordance with regulation 229 (1) and other applicable provisions of Chapter IX of the SEBI (ICDR) Regulation, 2018, because as an issuer our post issue paid-up capital is less than or equal to Rs. 10 Crore.

Our Company also complies with the eligibility conditions laid by the SME Platform of National Stock Exchange Of India Limited for listing of our Equity Shares. The point wise Criteria for SME Listing at National Stock Exchange Of India Limited and compliance thereof are given hereunder;

### 1. The Issuer should be a company incorporated under the Companies Act 1956/2013.

Our Company was incorporated on 20 July, 2010 under the Companies Act, 1956.

### 2. The post issue paid up capital of the company (face value) shall not be more than Rs. 25.00 Crores.

The present paid-up capital of our Company is Rs. 22,655,000 and we are proposing issue of 8,24,000 Equity Shares of Rs. 10/- each at issue price of Rs. [●] per Equity Share including share premium of Rs. [●] per Equity Share, aggregating to Rs. [●] Lakh. Hence, our Post Issue Paid up Capital will be approximately Rs. 308.95 Lakh which less than Rs.25.00 Crore.

### 3. Positive Net worth

Net worth of the Company as on 30.09.2020 is Rs. 1718.55 Lakhs.

### 4. Track Record

- A. The Company should have a (combined) track record of at least 3 years.  
Our Company got incorporated on 20 July, 2010 and therefore has a track record as specified by National Stock Exchange Of India Limited.
- B. The Company has combined positive cash accruals (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

| <i>Particulars</i>                                                                                                                                                                                               | <i>As at</i>      | <i>As at</i>      | <i>As at</i>      | <i>As at</i>      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                                                                                                                                                                                  | <i>30.09.2020</i> | <i>31.03.2020</i> | <i>31.03.2019</i> | <i>31.03.2018</i> |
|                                                                                                                                                                                                                  |                   |                   |                   |                   |
| <i>Share Capital</i>                                                                                                                                                                                             | <i>226.55</i>     | <i>226.55</i>     | <i>22.655</i>     | <i>22.66</i>      |
| <i>Add: Reserves &amp; Surplus</i>                                                                                                                                                                               | <i>1492.00</i>    | <i>1472.02</i>    | <i>1434.67</i>    | <i>1124.50</i>    |
| <i>Net Worth</i>                                                                                                                                                                                                 | <i>1718.55</i>    | <i>1698.57</i>    | <i>1457.33</i>    | <i>1147.16</i>    |
|                                                                                                                                                                                                                  |                   |                   |                   |                   |
| <i>Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any &amp; Debit Balances of Profit and Loss Account not written-of, if any)</i> |                   |                   |                   |                   |
| <i>The Company have distributable profits as detailed below in terms of Section 205 of Companies Act, 1956 (Section 123 of the Companies Act 2013, after 01st April 2014) (As Restated),:</i>                    |                   |                   |                   |                   |
|                                                                                                                                                                                                                  |                   |                   |                   |                   |
| <i>Particulars</i>                                                                                                                                                                                               |                   | <i>As at</i>      | <i>As at</i>      | <i>As at</i>      |
|                                                                                                                                                                                                                  | <i>30.09.2020</i> | <i>31.03.2020</i> | <i>31.03.2019</i> | <i>31.03.2018</i> |
| <i>Net Profit after Tax (as Restated) Calculated as per Section 123 of the Companies Act, 2013</i>                                                                                                               | <i>19.98</i>      | <i>295.86</i>     | <i>351.14</i>     | <i>256.44</i>     |

## 5. Other Requirements

A. It is mandatory for a company to have a website.

The Company has a website: [www.siddhika.com](http://www.siddhika.com)

B. It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. tripartite agreement dated August 09, 2019 with NSDL, our Company and Registrar to the Issue;
- b. tripartite agreement dated December 19, 2019 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0A1E01018

C. There should not be any change in the Promoter of the company in preceding one year from date of filing the application to NSE for listing under SME segment.

There has been no change in the promoter(s) of the company in the one year preceding the date of filing application to NSE for listing on SME Platform.

D. None of our Promoter or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

Further, except as mentioned in this Section titled "*Outstanding Litigation and Material Developments*" there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

## 6. Disclosures

**In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

1. In accordance with regulation 260(1) and 260(2) of SEBI (ICDR) Regulations, this issue will be 100% underwritten and shall not restrict to the minimum subscription level. The LM shall underwrite atleast 15% of the Total Issue size. For further details pertaining to underwriting please refer to section titled "*General Information*" beginning on page 56 of this Draft Prospectus.
2. In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. We have filed Draft Prospectus with stock exchange. The Draft Prospectus has not been filed with the SEBI, nor has SEBI issued any observation on the Offer Document in terms of Regulation 246 of

SEBI (ICDR) Regulations, 2018. However, pursuant to sub regulation (5) of regulation 246, the copy of Draft Prospectus shall also be furnished to the SEBI in soft copy.

4. In accordance with Regulation 261 of SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory market making for the minimum period of three years from the date of listing of equity shares offered in this Issue. For further details of the market making arrangement see section titled “General Information” beginning on page 56 of this Draft Prospectus.
5. The track record of the Company as per the Consolidated Restated Financial statements for the period ended on September 30, 2020 and financial year ended March 31, 2020, 2019 and 2018 is as set forth below:

| Particulars                                                                                       | Amount (Rs. In Lakhs) |                     |                     |                     |
|---------------------------------------------------------------------------------------------------|-----------------------|---------------------|---------------------|---------------------|
|                                                                                                   | 30.09.2020            | As at<br>31.03.2020 | As at<br>31.03.2019 | As at<br>31.03.2018 |
| Net Profit after Tax (as Restated)<br>Calculated as per Section 123 of the<br>Companies Act, 2013 | 19.98                 | 295.86              | 351.14              | 256.44              |

6. The Company has not been referred to Board for Industrial and Financial Reconstruction.
7. No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
8. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTICTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MANAGER UNISTONE CAPITAL PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF**

**ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MANAGER, UNISTONE CAPITAL PRIVATE LIMITED, 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, UNISTONE CAPITAL PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 09, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT PROSPECTUS.**

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, NCT of Delhi & Haryana, in terms of Section 26 of the Companies Act, 2013.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in New Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with National Stock Exchange Of India Limited for its observations and National Stock Exchange Of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

## DISCLAIMER CLAUSE OF THE SME PLATFORM OF NSE

National Stock Exchange Of India Limited (“NSE”) has given vide its letter dated [●] permission to this Company to use its name in this Issue document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform. NSE has scrutinized this issue document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Ltd does not in any manner:-

i. warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; or

ii. warrant that this Company’s securities will be listed or will continue to be listed on NSE; or

iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Draft Prospectus has been cleared or approved by NSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

## LISTING

Application will be made to the “National Stock Exchange Of India Limited” for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange Of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange Of India Limited has given its in-principle approval for using its name in the Offer Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange Of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of National Stock Exchange Of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

## **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in the Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, [www.siddhika.com](http://www.siddhika.com) would be doing so at his or her own risk.

## **CONSENTS**

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor, Banker to the Company and (b) Lead Manager, Underwriter\*, Market Maker\*, Registrar to the Issue, Banker to the issue\* and Legal Advisor to the Issue, 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 Sections 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus and Prospectus for filing with the RoC.

*\*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 TO THE ISSUE**

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

- Report of the Auditor on Statement of Tax Benefits
- Report of the Auditor on Restated Financial Statements for the Period ended on September 30, 2020 and financial year ended March 31, 2020, 2019 and 2018 of our Company.
- Report of G Gupta & Associates, Practising Company Secretary dated February 08, 2021 on facility of dematerialisation of shares to all the shareholders of the Company.

## **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT, 1993**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES**

Except as stated in the section titled “*Capital Structure*” beginning on page 66 of this Draft Prospectus, we have not made any previous rights and/or public issues during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is first “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

## **CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY ISSUER COMPANY AND LISTED GROUP COMPANIES / SUBSIDIARY / ASSOCIATES**

Neither our Company nor any of our Group Companies/ Subsidiary/Associates have undertaken any capital issue or any public or rights issue in the last three years preceding the date of this Draft Prospectus. Further, as on date of this Draft Prospectus our Company has no listed subsidiary.

## **PERFORMANCE VIS-A-VIS OBJECTS FOR OUR COMPANY AND/OR LISTED SUBSIDIARY COMPANY AND/OR LISTED PROMOTER COMPANY**

Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as on date of this Draft Prospectus our Company has no any listed corporate promoter and no listed subsidiary company

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

Price information of past public issues (during current financial year and two financial years preceding the current financial year) handled by Unistone Capital Private Limited pursuant to transfer of Merchant Banking business from CKP Financial Services Private Limited:

| Sr. No. | Issue Name                            | Issue Size (in Lakhs) | Issue price | Listing date       | Opening price on listing date | +/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing | +/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing |
|---------|---------------------------------------|-----------------------|-------------|--------------------|-------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 1.      | Kapston Facilities Management Limited | 2119.68               | 92          | April 04, 2018     | 92.50                         | 3.26%, [4.84%]                                                                                   | 3.91%, [5.64%]                                                                                   | 1.09% [8.69%]                                                                                     |
| 2.      | Supreme Engineering Limited           | 1777.68               | 27          | September 06, 2018 | 27.10                         | -4.59%, [-10.58%]                                                                                | -19.27%, [ 6.54%]                                                                                | -11.93%, [-4.76%]                                                                                 |
| 3       | Likhitha Infrastructure Limited       | 6120.00               | 120         | October 15, 2020   | 136.60                        | 16.14% [10.22%]                                                                                  | 4.14%, [23.74%]                                                                                  | -                                                                                                 |

For details regarding the track record of the LM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website [www.unistonecapital.com](http://www.unistonecapital.com)

Notes:

- Source: www.nseindia.com for the price information
- Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the next trading day has been considered.
- The Nifty 50 index is considered as the benchmark index.

**Summary statement of price information of past public issues handled by Unistone Capital Private Limited**

| Financial Year | Total no. of IPOs | Total Funds Raised (Rs. In Lakh) | Nos. of IPOs trading at discount- 30th calendar days from listing |                |               | Nos. of IPOs trading at premium- 30th calendar days from listing |                |               | Nos. of IPOs trading at discount- 180th calendar days from listing |                |               | Nos. of IPOs trading at premium- 180th calendar days from listing |                |               |
|----------------|-------------------|----------------------------------|-------------------------------------------------------------------|----------------|---------------|------------------------------------------------------------------|----------------|---------------|--------------------------------------------------------------------|----------------|---------------|-------------------------------------------------------------------|----------------|---------------|
|                |                   |                                  | Over 50%                                                          | Between 25-50% | Less than 25% | Over 50%                                                         | Between 25-50% | Less than 25% | Over 50%                                                           | Between 25-50% | Less than 25% | Over 50%                                                          | Between 25-50% | Less than 25% |
| FY 2018-19     | 2                 | 3897.36                          | -                                                                 | -              | 1             | -                                                                | -              | 1             | -                                                                  | -              | 1             | -                                                                 | -              | 1             |
| FY 2019-20     | -                 | -                                | -                                                                 | -              | -             | -                                                                | -              | -             | -                                                                  | -              | -             | -                                                                 | -              | -             |
| FY 2020-21*    | 1                 | 6120.00                          | -                                                                 | -              | -             | -                                                                | -              | 1             | -                                                                  | -              | -             | -                                                                 | -              | -             |

\*The information is as on the date of the document. The information for each of the financial years is based on issues listed during such financial year.

**STOCK MARKET DATA FOR OUR EQUITY SHARES OF OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

**MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the bidder, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant / Bidder, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants / bidders.

Further, as on date of this Draft Prospectus our Company has no any subsidiary company and none of our Group Companies is listed on any stock exchanges, so disclosure regarding mechanism for redressal of investor grievances for our subsidiary company and group companies are not applicable.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within 15 working 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 as expeditiously as possible.

Our Company before opening of the issue period shall also obtain SEBI Complaints Redress System (SCORES) from SEBI for redressal of investor grievances.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on December 03, 2020. For further details, please refer to the section titled “*Our Management*” beginning on page 132 of this Draft Prospectus.

Our Company has appointed Mr. Ashish Kumar Sonwani as Company Secretary and Compliance Officer and he may be contacted at the following address:

**Mr. Ashish Kumar Sonwani**

**Siddhika Coatings Limited**

L-9, Lower Ground Floor Kalkaji New Delhi

South Delhi 110019

**Tel:** 011-41601441

**Email:** [secretarial@siddhika.com](mailto:secretarial@siddhika.com)

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

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-issue or post-issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, *etc.*

## SECTION X – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Allotted pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI (ICDR) Regulations, 2018, SEBI Listing Regulations, SCRA, SCRR, our Memorandum of Association and Articles of Association, the terms of the Draft Prospectus, the Prospectus, the Abridged Prospectus, Application Form, any Revision Form, the CAN/Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchange(s), the RoC and/or any other authorities while granting its approval for the Issue.*

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019 and circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 and any subsequent circulars issued by SEBI in this regard, SEBI has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective till June 30, 2019. With effect from July 1, 2019, with respect to Application by retail individual investors through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applicants with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by retail individual investors (“**UPI Phase III**”), as may be prescribed by SEBI.

*Further vide the said circular Registrar to the Issue and Depository Participants have also been authorized to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by the Registrar to the Issue and Depository Participants as and when the same is made available.*

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank *pari-passu* in all respects including dividend 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 from page no. 266 of this Draft Prospectus.

### Mode of Payment of Dividend

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on page nos. 155 and 266 of this Draft Prospectus.

### Face Value and Issue Price

The face value of the Equity Shares is ₹ 10/- each and the Issue Price is Rs. [●]/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled “*Basis for Issue Price*” beginning on page no. 95 of this Draft Prospectus.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### Compliance with SEBI (ICDR) Regulations, 2018

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. 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:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing 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 Articles of Association*” beginning on page no. 270 of this Draft Prospectus.

### **Allotment only in Dematerialised Form**

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- 1) Tripartite agreement dated August 09, 2019 between our Company, NSDL and the Registrar to the Issue.
- 2) Tripartite agreement dated December 19, 2019 between our Company, CDSL and the Registrar to the Issue.

The Company's shares bear ISIN INE0A1E01018.

### **Market Lot and Trading Lot**

Trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

### **Minimum Number of Allottees**

In accordance with Regulation 268 (1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within eight (8) Working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

**The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

**Nomination facility to investors**

In accordance with Section 72 (1) & 72 (2) of the Companies Act, 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 (3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72 (4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

**Withdrawal of the Issue**

Our Company and the Selling Shareholder in consultation with the Lead Manager, reserve the right not to proceed with the Fresh Issue and the Selling Shareholder reserve the right not to proceed with the Offer for Sale, in whole or in part thereof, to the extent of Offered Shares, at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the Application Amounts to the Anchor Investors, if applicable, within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Selling Shareholder, in consultation with the Lead Manager withdraw the Issue after the Application/ Issue Closing Date and thereafter determine that they

will proceed with public Issue of the Equity Shares, our Company shall file a fresh Draft Prospectus with the Stock Exchanges.

### Issue Program

|                 |     |
|-----------------|-----|
| ISSUE OPENS ON  | [●] |
| ISSUE CLOSES ON | [●] |

An indicative timetable in respect of the Issue is set out below:

| Event                                                         | Indicative Date |
|---------------------------------------------------------------|-----------------|
| Issue Closing Date                                            | [●]             |
| Finalization of Basis of Allotment with NSE                   | [●]             |
| Initiation of Refunds / unblocking of funds from ASBA Account | [●]             |
| Credit of Equity Shares to demat account of the Allottees     | [●]             |
| Commencement of trading of the Equity Shares on NSE           | [●]             |

The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on NSE is taken within six Working Days from the Offer Closing Date, the time table may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Applications and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period. (except for the Issue Closing Date). On the Issue 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 Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issues, 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 Issue. 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 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. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical 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 Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this issue document including devolvement of Underwriter within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information - Underwriting” beginning on page 56 of this Draft Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

**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.**

### **Application by Eligible NRIs, FPIs or VCFs registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **As per the extant Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

The lock-in of the pre- Issue capital of our Company as provided in “*Capital Structure*” beginning on page no. 66 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 no. 266 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.*

### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI Circular. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **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 Promoter, to acquire or receive any Equity Shares after the Issue.

### **Migration to Main Board**

In accordance with the NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the NSE EMERGE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

As per the provisions of the Chapter IX of the SEBI ICDR Regulation, our Company may migrate to the main board of NSE from the NSE EMERGE on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid up Capital of the Company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **Market Making**

The shares issued through this Issue are proposed to be listed on the NSE EMERGE (SME Platform Of NSE) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on NSE EMERGE. For further details of the market making arrangement please refer the chapter titled “*General Information*” beginning on page no. 56 of this Draft Prospectus.

## ISSUE STRUCTURE

This issue is being made in terms of Regulation 229 (1) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post issue face value capital does not exceed ten crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on page nos. 223 and 234 respectively, of this Draft Prospectus.

### Issue Structure

Initial Public Issue of upto 8,24,000 equity shares of face value of Rs. 10/- each for cash at a price of ₹ [●] per Equity Share (including a Share Premium of ₹[●] per equity share (the “Issue Price”), aggregating up to ₹ [●] Lakhs Lakhs( “the issue”) by our Company of which [●] Equity Shares of Rs.10 each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of Rs.10 each is hereinafter referred to as the net issue. The Issue and the Net Issue will constitute 26.67% and [●]% respectively of the post issue paid up Equity Share Capital of the Company..

| Particulars                                                     | Net Issue to Public                                                                                                                                                                                                                                                                                                                          | Market Maker Reservation Portion |
|-----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| Number of Equity Shares available for allocation <sup>(1)</sup> | [●] Equity Shares                                                                                                                                                                                                                                                                                                                            | [●] Equity Shares                |
| Percentage of Issue Size available for Allocation               | [●] % of the Issue Size                                                                                                                                                                                                                                                                                                                      | [●]% of the Issue Size           |
| Basis of Allotment                                              | Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. <sup>(1)</sup><br><br>For further details please refer section explaining the Basis of Allotment in the GID.                                                                                                   | Firm Allotment                   |
| Mode of Application                                             | All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).                                                                                                                                                                        |                                  |
| Mode of Allotment                                               | Compulsorily in dematerialised form.                                                                                                                                                                                                                                                                                                         |                                  |
| Minimum Application Size                                        | <p><b><u>For Other than Retail Individual Investors:</u></b><br/>Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of Rs.[●] each, such that the Application Value exceeds Rs. 2,00,000/-.</p> <p><b><u>For Retail Individuals Investors:</u></b><br/>[●] Equity Shares at an Issue price of Rs.[●] each.</p> | [●] Equity Shares                |

| Particulars                     | Net Issue to Public                                                                                                                                                                                                                                                                                                                                                                                                      | Market Maker Reservation Portion                                                                                                        |
|---------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Maximum Application Size        | <p><b><u>For Other than Retails Individual Investors:</u></b><br/>The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b><br/>Such number of Equity Shares in multiples of [●] Equity Shares such that the Application Value does not exceed Rs. 2,00,000/-.</p> | [●] Equity Shares                                                                                                                       |
| Trading Lot                     | [●] Equity Shares                                                                                                                                                                                                                                                                                                                                                                                                        | [●] Equity Shares. However, the Market Maker may buy odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018. |
| Who can Apply <sup>(2)</sup>    | <p><b><u>For Other than Retail Individual Investors:</u></b><br/>Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions societies and trusts.</p> <p><b><u>For Retail Individuals Investors:</u></b><br/>Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs.</p>                                                  | Market Maker                                                                                                                            |
| Terms of Payment <sup>(3)</sup> | The entire Application Amount shall be blocked by the SCSBs in the bank account of Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI mechanism) at the time of the submission of the Application Form.                                                                                                                                                                                   |                                                                                                                                         |

<sup>(1)</sup> Since present issue is a fixed price issue, the allocation in the net Issue to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

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

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

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

<sup>2)</sup> In case of joint Applications, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders.

<sup>(3)</sup> In case of ASBA Applicants, the SCSB shall be authorised to block such funds in the bank account of the ASBA Applicant (including retail applicants 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.

## ISSUE PROGRAMME

|                    |     |
|--------------------|-----|
| ISSUE OPENING DATE | [●] |
| ISSUE CLOSING DATE | [●] |

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing Date applications will be accepted only between 10.00 a.m. to 4.00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1.00 p.m. IST on the Issue 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 Issue Closing Date, as is typically experienced in public Issues, 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 this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday)

## Lot Size

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the “Circular”) standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

| Issue Price (in ₹)        | Lot Size (No. of shares) |
|---------------------------|--------------------------|
| Up to 14                  | 10,000                   |
| More than 14 up to 18     | 8,000                    |
| More than 18 up to 25     | 6,000                    |
| More than 25 up to 35     | 4,000                    |
| More than 35 up to 50     | 3,000                    |
| More than 50 up to 70     | 2,000                    |
| More than 70 up to 90     | 1,600                    |
| More than 90 up to 120    | 1,200                    |
| More than 120 up to 150   | 1,000                    |
| More than 150 up to 180   | 800                      |
| More than 180 up to 250   | 600                      |
| More than 250 up to 350   | 400                      |
| More than 350 up to 500   | 300                      |
| More than 500 up to 600   | 240                      |
| More than 600 up to 750   | 200                      |
| More than 750 up to 1,000 | 160                      |
| Above 1,000               | 100                      |

Further to the circular, at the Initial Public Offer stage the Registrar to Issue in consultation with Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading. At the Initial Public Offering stage if the price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into. For example: if the proposed price band is at 24-28 than the Lot size shall be 4,000 shares.

## ISSUE PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI (“General Information Document”) and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section “PART B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document shall be made available on the websites of the Stock Exchanges, the Company and the Lead Manager before opening of the Issue. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Applicants may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Applicants eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Applicants and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

With effect from July 1, 2019, with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”), Further pursuant to SEBI Circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 UPI Phase II was extended till March 31, 2020. Subsequently, the final reduced timeline will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Lead Manager do not accept any responsibility for

the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the Full Application Amount along with the Application Form.

#### Phased implementation of Unified Payments Interface

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

Phase II: This phase commenced on completion of Phase I and will continue till March 31, 2020. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.

Phase III: Subsequently, the time duration from public issue closure to listing would be reduced to be three Working Days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

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**PART A****Fixed Price Issue Procedure**

The Issue is being made in compliance with the provisions of Reg. 229(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non Retail Category i.e. QIBs and Non Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

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

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialised subsequent to allotment.

**Application Form**

Retail Individual Applicants can submit their Applications by submitting Application Forms, in physical form or in electronic mode, to the members of the Syndicate, the sub-Syndicate, the SCSBs, the Registered Brokers, Registrars to an Issue and Share Transfer Agents and Depository Participants.

Application Forms will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Application Forms will also be available for download on the website of the Company, Lead Manager and Stock Exchange, SME Platform of NSE, at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants must provide bank account details and authorization to block funds in the relevant space provided in the Application Form or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected. For further details on the UPI Channel please refer SEBI circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, 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.

Pursuant to SEBI Circular dated January 1, 2016 and bearing no. CIR/CFD/DIL/1/2016, the Application Form has been standardized. Also, please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

| Category                                                                                                 | Colour* |
|----------------------------------------------------------------------------------------------------------|---------|
| Indian Public / eligible NRI's applying on a non-repatriation basis (ASBA)                               | White   |
| Non-Residents including eligible NRI's, FPI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA) | Blue    |

*\*Excluding Electronic Application Form*

Designated Intermediaries (other than SCSBs) after accepting application form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Application Forms to respective SCSBs where the Applicants has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for making an Application in terms of the Draft Prospectus.

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 websites 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.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

| Sr. No. | Designated Intermediaries                                                                                                                                              |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | An SCSB, with whom the bank account to be blocked, is maintained                                                                                                       |
| 2.      | A syndicate member (or sub-syndicate member)                                                                                                                           |
| 3.      | A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') |
| 4.      | A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                                           |
| 5.      | A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)                  |

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as “Intermediaries”), and intending to use UPI, shall also enter their UPI ID in the application form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the 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 SCSB:                                                        | 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 Issue.                                                                                                                                                                                                                                                             |
| For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment: | <p>After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange.</p> <p>Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds.</p> <p>Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.</p> |

Stock exchange shall validate the electronic bid 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 bid 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 Draft 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.

**Availability of Draft Prospectus and Application Forms**

The Application Forms and copies of the Draft Prospectus may be obtained from the Registered Office of our Company and Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE i.e. [www.nseindia.com](http://www.nseindia.com).

**Who can apply?**

In addition to the category of Applicants as set forth under “General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- a) Indian nationals resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The 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;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) 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;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non Institutional applicant’s category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;

- p) Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Insurance funds set up and managed by army, navy or air force of the Union of India;
- s) Multilateral and bilateral development financial institution;
- t) Eligible QFIs;
- u) Insurance funds set up and managed by army, navy or air force of the Union of India;
- v) Insurance funds set up and managed by the Department of Posts, India;
- w) Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- 1. Minors (except through their Guardians)
- 2. Partnership firms or their nominations
- 3. Foreign Nationals (except NRIs)
- 4. Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No. 20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

**MAXIMUM AND MINIMUM APPLICATION SIZE**

**For Retail Individual Applicants**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs. 2,00,000.

**For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter. An Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

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 LMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. 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:

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).

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 [●] Equity shares the allotment will be made as follows:

Each successful applicant shall be allotted [●] Equity shares; and

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.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.

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 [●] Equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.

The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:

As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

The balance net offer of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and Other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.

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.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 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 Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

### **Participation by Associates /Affiliates of LM and the Market Makers**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM/ Underwriters and Market Makers, if any may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

### **Option to Subscribe in the Issue**

As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.

The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Applicants:**

Our Company and the Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Draft Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.

Our Company will file the Draft Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.

Copies of the Application Form along with Abridge Prospectus and copies of the Draft Prospectus will be available with the, the Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Application Forms will also be available on the websites of the Stock Exchange.

Any applicant who would like to obtain the Draft Prospectus and/ or the Application Form can obtain the same from our Registered Office.

Applicants who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.

Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.

The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such application forms that do not contain such details are liable to be rejected.

Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form, before entering the ASBA application into the electronic system.

Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

**Application by Indian Public including eligible NRIs applying on Non-Repatriation Basis**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and not in the names of Minors, Foreign Nationals, Non Residents Indian (except for those applying on non-repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, Partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis should authorize their SCSB to block their NRE/FCNR accounts as well as NRO accounts.

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### **Applications by eligible NRIs on Repatriation Basis**

Application Forms have been made available for eligible NRIs at our registered office.

Eligible NRIs applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under reserved category. The Eligible NRIs who intend to get the amount blocked in the Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians and shall not use the forms meant for reserved category.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis.

Allotment of Equity shares to Non-Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity shares will be allowed to be repatriated along with the income thereon subject to the permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

### **Application by FIIs (including FIIIs)**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Issue in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any

recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

### **Application by SEBI registered Alternative Investment Fund (AIF), Venture Capital Funds and Foreign Venture Capital Investors**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors: Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer. The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's. 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 Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations.

### **Application by Mutual Funds**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

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.

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 reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

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.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

### **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 LLP Act, 2008 must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

### **Applications by Insurance Companies**

In case of applications made by insurance companies registered with 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 LM, reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2010, as amended (the “IRDA Investment Regulations”), are broadly set forth below:

Equity shares of a company: The lesser of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

The entire group of the investee company: at least 10% of the respective fund in case of a life insurer or 10% of investment assets in case of general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and

The industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

### **Applications under Power of Attorney**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPI’s, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant Resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

With respect to the applications by VCFs, FVCIs and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company

reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the lead manager may deem fit.

#### Application by Provident Funds/Pension Funds

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 lakhs (subject to applicable law) and pension funds with minimum corpus of Rs. 2,500 lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. 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 filing of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in this Draft Prospectus.

#### 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 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, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

### **Applications by Systemically Important Non-Banking Financial Companies**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

### **Applications by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Applicants**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

### **Method and Process of Applications**

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected.

either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.

5. 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.

|                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| For Applications submitted by investors to SCSB:                            | After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock 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 Designated 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 Issue. |

6. 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.
7. 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.
8. 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.
9. 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.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdraw/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

**Terms of payment**

The entire Issue price of Rs. [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

**Payment mechanism**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the 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 Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

**Unblocking of ASBA Account**

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account as per section 40 (3) of the Companies Act, 2013 and shall unblock excess amount, if any in the ASBA Account.

However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case maybe.

**Maximum And Minimum Application Size**

The applications in this Issue, being a fixed price issue, will be categorized into two;

For Retail Individual Applicants

The Application must be for a minimum of [●] Equity Shares so as to ensure that the Application amount payable by the Applicant does not exceed Rs.

**For Other Applicants (Non Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [●] Equity Shares thereafter.

A person shall not make an application in the net offer category for a number of specified securities that exceeds the total number of securities offered to the public. Further, the maximum application by non-institutional investors shall not exceed total number of specified securities offered in the issue less total number of specified securities offered in the issue to qualified institutional buyers.

Further, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application form 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 the Draft Prospectus.

### **Option To Receive Equity Shares In Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.

2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - 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 Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the 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 below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details*          |
|--------|-------------------|
| 1.     | Symbol            |
| 2.     | Intermediary Code |
| 3.     | Location Code     |
| 4.     | Application No.   |
| 5.     | Category          |
| 6.     | PAN               |
| 7.     | DP ID             |

| S. No. | Details*  |
|--------|-----------|
| 8.     | Client ID |
| 9.     | Quantity  |
| 10.    | Amount    |

\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields

7. With respect to applications by 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:
    - Name of the Applicant;
    - IPO Name;
    - Application Form Number;
    - Investor Category;
    - PAN (of First Applicant, if more than one Applicant);
    - DP ID of the demat account of the Applicant;
    - Client Identification Number of the demat account of the Applicant;
    - Number of Equity Shares Applied for;
    - Bank Account details;
    - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and Bank account number.
  8. In case of submission of the Application by 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.
- Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
  11. 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.

12. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.

The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Allocation of Equity shares**

1. The Issue is being made through the Fixed Price Process wherein [●] Equity Shares shall be reserved for Market Maker and [●] Equity shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on proportionate basis to Non-Retail Applicants.
2. Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

### **Signing of Underwriting Agreement and Filing of Prospectus with ROC**

- i. Our company has entered into an Underwriting Agreement dated [●]
- ii. A copy of the Prospectus will be filled with the RoC in terms of Section 26 of Companies Act, 2013.

**Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation.

**Issuance of Allotment Advice**

Upon approval of the Basis of Allotment by the designated stock exchange, the Registrar shall upload on its website.

On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue.

The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to the Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

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 Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**Designated Date**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

**Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per section 39 of the Companies Act, 2013, if the “Stated Minimum Amount” has not been subscribed and the sum payable on application is not received within a period of thirty days from the date of issue of the Draft Prospectus, or such other period as may be specified by the Securities and Exchange Board, the amount received under sub-section (1) shall be returned within such time and manner as maybe prescribed under that section. If the Issuer does not received the subscription of 100% of the Issue through this offer document including devolvement of underwriters within Sixty Days from the date of closure of the Issue, the Issuer shall Forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer become liable to pay the amount, the Issuer shall pay interest prescribed under section 39 of the Companies act, 2013.

## General Instructions

### Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application.
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Draft Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account/ UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

### Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;

- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs.2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

#### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centres for collecting the application is available on the websites of BSE i.e. [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com)

#### **Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

**Please note that, furnishing the details of depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form

as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants' sole risk and neither the Lead Manager nor the Registrar to the Issue or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- i. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- ii. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Issue Closing Date, would be ensured; and
- iii. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

## Right to Reject Applications

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

## Grounds For Rejection

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [●];
- Category not ticked;
- Multiple Applications as defined in the Draft Prospectus;
- Applications made using a third party bank account or using third party UPI ID linked bank account
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Draft Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;

- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.

### **Equity Shares in Dematerialized Form with NSDL Or CDSL**

- a) An applicant applying for Equity Shares in demat form must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the application.
- b) The applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's Identification number) appearing in the Application Form or Revision Form.
- c) Equity Shares allotted to a successful applicant will be credited in electronic form directly to the Applicant's beneficiary account (with the Depository Participant).
- d) Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- e) If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- f) The Applicant is responsible for the correctness of his or her demographic details given in the Application Form vis- à-vis those with their Depository Participant.
- g) It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange platform where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- h) The trading of the Equity Shares of our Company would be only in dematerialized form.

### **Communications**

Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc. at below mentioned addresses;

To,  
Mr. Ashish Kumar Sonwani  
The Company Secretary & Compliance Officer  
Siddhika Coatings Limited  
L-9, Lower Ground Floor Kalkaji, New Delhi,  
South Delhi, Delhi 110019  
Tel No.: 011-41611441  
Email: [secretarial@siddhika.com](mailto:secretarial@siddhika.com)  
Web: [www.siddhika.com](http://www.siddhika.com)

To,  
Ms. Sarita Singh  
Skyline Financial Services Private Limited  
D-153A, 1st Floor, Okhla Industrial Area  
Phase-I, New Delhi – 110020, India  
Tel No.: +91-11-40450193-97  
Email: [viren@skylinerta.com](mailto:viren@skylinerta.com) or  
[admin@skylinerta.com](mailto:admin@skylinerta.com)  
Web: [www.skylinerta.com](http://www.skylinerta.com)

### **Disposal of Applications and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

### **Impersonation**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least Rs. 10 Lakhs 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.

### **Basis of Allotment**

Allotment will be made in consultation with NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

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).

For applications where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:

Each successful applicant shall be allotted [●] equity shares; and

The successful applicants out of the total applicants for that category shall be determined by the draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.

If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.

If the Shares allocated on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares.

Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

Minimum of 50% of the net offer of shares to the Public (i.e. [●] Equity Shares) shall be made available for allotment to retail individual investors; and

The balance net offer of shares to the public (i.e. [●] Equity Shares) shall be made available for allotment to Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions.

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

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

Our Company shall ensure that out of total allocated shares to the Category “Non-Institutional Investors, including Qualified Institution Buyers, Corporate Bodies/ Institutions”, at least 15% of net offer of shares to the public shall be allocated to Non-Institutional Investors and not more than 50% shall be allocated to Qualified Institution Buyers including allocation of 5% to Mutual Funds.

Please note that the Allotment to each Retail Individual Investor shall not be less than the minimum application lot, subject to availability of Equity Shares in the Retail portion. The remaining available Equity Shares, if any in Retail portion shall be allotted on a proportionate basis to Retail individual Investor in the manner in this para titled “Basis of Allotment” on page no. 246 of this Draft Prospectus.

“Retail Individual Investor” means an investor who applies for shares of value of not more than Rs. 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 NSE (EMERGE Platform).

### **Basis of Allotment in the event of Under Subscription**

In the event of under subscription in the Issue, the obligations of the Underwriters shall get triggered in terms of the Underwriting Agreement. The Minimum subscription of 100% of the Issue size as specified in page no. 234

shall be achieved before our company proceeds to get the basis of allotment approved by the Designated Stock Exchange.

The Executive Director/Managing Director of the SME Platform of NSE – the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

### **Undertakings by Our Company**

We undertake as follows:

- That the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of closure of the Issue;
- That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- That our Promoter's contribution in full has already been brought in;
- That no further issue of Equity Shares shall be made till the Equity Shares offered through the Draft Prospectus are listed or until the Application monies are unblocked on account of non-listing, under subscription etc. and
- That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the ROC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the Issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- Adequate arrangements shall be made to collect all Application Forms from the Applicants;
- That the certificates of the securities/refund orders to Eligible NRIs shall be dispatched within specified time; and
- That none of the promoter or directors of the company is willful defaulter under Section 5(c) of SEBI (ICDR) Regulations, 2018.

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## **Utilization of Issue Proceeds**

### **The Board of Directors of our Company certifies that:**

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
2. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in the balance sheet of our company indicating the purpose for which such monies have been utilized;
3. Details of all unutilized monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to utilize the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.

### **Equity Shares in Dematerialized Form with NSDL or CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a tripartite agreement dated August 09, 2019 with NSDL, our Company and Registrar to the Issue;
- a tripartite agreement dated December 19, 2019 with CDSL, our Company and Registrar to the Issue;

The Company's shares bear an ISIN: INE0A1E01018.

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is governed by the provisions of the FEMA Rules. Foreign investment is permitted (except in the prohibited sectors) in Indian companies, either through the automatic route or the approval route, depending upon the sector in which foreign investment is sought to be made. The DIPP makes policy announcements on FDI through press notes and press releases. In case of any conflict, the FEMA Rules prevail. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The consolidated FDI policy circular of 2017, dated August 28, 2017 issued by the DIPP (“FDI Circular”) consolidates the policy framework which was in force as on August 28, 2017 and reflects the FDI Policy as on August 28, 2017. Further, the FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP. As per the FDI Circular the cap for foreign investment in petroleum and natural gas industry, is 100% under the automatic route. However, downstream investments by a resident entity which is ‘foreign-owned and controlled’ within the meaning of the FDI Circular are treated as foreign investment for the purposes of the FDI Circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI or any other relevant authority, provided that (i) the activities of the investee company are under the automatic route under the FDI Circular and the transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Circular; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI and RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws in the United States. Accordingly, the Equity Shares are being offered only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors cannot offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

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**SECTION XI – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION****INTERPRETATION**

- I. (1) In these regulations—
- (a) "Company" means 'SIDDHIKA COATINGS LIMITED
  - (b) "Office" means the Registered office of the Company
  - (c) "the Act" means the Companies Act, 2013, and any statutory modification thereof.
  - (d) "the seal" means the common seal of the company.
  - (e) "Directors" means the Directors of the Company and includes persons occupying in the position of the Directors by whatever names called.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

**Public Company**

- (3) **The Company is a Public Limited Company within the meaning of Section 2 (71) of the Companies Act, 2013 and which:**
- (a) is not a private company
  - (b) having a paid up share capital of Rs. 2,26,55,000/- (Rs. Two Crore Twenty-Six Lacs Fifty-Five Thousand) only or such higher paid- up share capital as may be prescribed.

Provided that a Company which is a subsidiary of a Company, not being a Private Company shall be deemed to be a Public Company for the purpose of this Act even where such subsidiary Company continues to be a Private Company in its articles.

**Share capital and variation of rights**

II.1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be

provided,—

- (a) one certificate for all his shares without payment of any charges; or

(b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

(ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

(iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall *mutatis mutandis* apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent. or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rule made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating general meetings shall *mutatis mutandis* apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further share ranking *pari passu* therewith

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

#### **Lien**

9. (i) The company shall have a first and paramount lien—

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividend bonuses declared from time to time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **Calls on shares**

**13.** (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board

**14.** A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by instalments.

**15.** The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

**16.** (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent. per annum or at such lower rate, if any, as the Board may determine.

(ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

**17.** (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

(ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

**18.** The Board—

(a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent. per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **Transfer of shares**

**19.** (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.

(ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.

**20.** The Board may, subject to the right of appeal conferred by section 58 decline to register—

(a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve;

or

(b) any transfer of shares on which the company has a lien.

**21.** The Board may decline to recognise any instrument of transfer unless—

(a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;

(b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(c) the instrument of transfer is in respect of only one class of shares.

**22.** On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **Transmission of shares**

**23.** (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a shareholder, shall be the only persons recognized by the company as having any title to his interest in the shares.

(ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**24.** (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

**25.** (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

**26.** A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have complied with.

**27.** In case of a One Person Company—

(i) on the death of the sole member, the person nominated by such member shall be the person recognized by the company as having title to all the shares of the member;

(ii) the nominee on becoming entitled to such shares in case of the member's death shall be informed of such event by the Board of the company;

(iii) such nominee shall be entitled to the same dividends and other rights and liabilities to which such sole member of the company was entitled or liable;

(iv) on becoming member, such nominee shall nominate any other person with the prior written consent of such person who, shall in the event of the death of the member, become the member of the company.

### **Forfeiture of shares**

**28.** If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

**29.** The notice aforesaid shall—

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

**30.** If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect

**31.** (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

**32.** (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

**33** (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

(ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;

(iii) The transferee shall thereupon be registered as the holder of the share; and

(iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

**34.** The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **Alteration of capital**

**35.** The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

**36.** Subject to the provisions of section 61, the company may, by ordinary resolution,—

(a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;

(b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;

(c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;

(d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

**37.** Where shares are converted into stock,—

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

(c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

**38.** The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law,—

(a) its share capital;

(b) any capital redemption reserve account; or

(c) any share premium account.

### **Capitalisation of profits**

**39. (i)** The company in general meeting may, upon the recommendation of the Board, resolve—

(a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

**40. (i)** Whenever such a resolution as aforesaid shall have been passed, the Board shall—

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power—

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application

thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

- (iii) Any agreement made under such authority shall be effective and binding on such members.

### **Buy-back of shares**

41. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

### **General meetings**

42. All general meetings other than annual general meeting shall be called extraordinary general meeting.

43. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

### **Proceedings at general meetings**

44 (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

45 . The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

46. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

47. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

48 . In case of a One Person Company—

(i) the resolution required to be passed at the general meetings of the company shall be deemed to have been passed if the resolution is agreed upon by the sole member and communicated to the company and entered in the minutes book maintained under section 118;

- (ii) such minutes book shall be signed and dated by the member;
- (iii) the resolution shall become effective from the date of signing such minutes by the sole member.

### **Adjournment of meeting**

- 49 .** (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### **Voting rights**

- 50.** Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
- (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 51.** A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 52.** (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 53.** A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 54.** Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 55.** No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

**56.** (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### **Proxy**

**57.** The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**58.** An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**59.** A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

### **Board of Directors**

**60.** The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

**61.** (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

**62.** The Board may pay all expenses incurred in getting up and registering the company.

**63.** The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that (section)) make and vary such regulations as it may think fit respecting the keeping of any such register.

**64.** 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.

**65.** Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

**66.** (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

### **Proceedings of the Board**

**67.** (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**68.** (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

**69.** The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

**70.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

**71.** (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

**72 . (i)** A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

**73. (i)** A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**74.** All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

**75.** Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

**76** In case of a One Person Company—

(i) where the company is having only one director, all the businesses to be transacted at the meeting of the Board shall be entered into minutes book maintained under section 118;

(ii) such minutes book shall be signed and dated by the director;

(iii) the resolution shall become effective from the date of signing such minutes by the director.

**Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer**

**77.** Subject to the provisions of the Act,—

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

**78.** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **The Seal**

**79. (i)** The Board shall provide for the safe custody of the seal.

**(ii)** The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **Dividends and Reserve**

**80.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**81.** Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

**82. (i)** The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

**(ii)** The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**83. (i)** Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

**(ii)** No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

**(iii)** All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**84.** 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.

**85. (i)** Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the

holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**86.** 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.

**87.** Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**88.** No dividend shall bear interest against the company.

### **Accounts**

**89.** (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

### **Winding up**

**90.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(i) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(ii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### **Indemnity**

**91.** Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION XII – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Prospectus with RoC to Issue Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

#### **Material Contracts:**

- 1) Issue Agreement dated February 09, 2021 between our Company and the LM.
- 2) Registrar Agreement dated December 16, 2020 between our Company and the Registrar to the Issue.
- 3) Underwriting Agreement dated [●] between our Company the LM and Underwriter(s).
- 4) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 5) Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated August 08, 2019
- 6) Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated December 19, 2019.
- 7) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.

#### **Material Documents**

- 1) Certified true copy of the Memorandum and Articles of Association of our Company as amended from time to time;
- 2) Certificate of incorporation dated July 10, 2010 and conversion into public limited company dated January 14, 2020;
- 3) Board resolution and special resolution passed pursuant to Section 62 (1)(c) of the Companies Act, 2013 by the Board and shareholders of our Company approving the Issue, at their meetings held on December 03, 2020 and December 15, 2020 respectively;
- 4) Resolution of the Board of Directors of our Company dated February 09, 2021 approving the Draft Prospectus and amendments thereto.
- 5) Expert opinion dated February 08, 2021 by G Gupta & Associates, Practising Company Secretary on facility of dematerialisation of shares to all the shareholders of the Company.
- 6) The examination reports of the Peer Reviewed Auditor, M/s. VCAN and Co., Chartered Accountants, dated January 16, 2021 on our Company's restated consolidated financial information for the period ended September 30, 2020 and for the financial years ended as on March 31, 2020, 2019, & 2018 and Statement of Tax Benefits dated January 21, 2021 included in this Draft Prospectus.
- 7) Consents of the Lead Manager, Legal Advisor to the Issue, Registrar to the Issue, Market Maker, Underwriter, Banker to the Issue, Sponsor Bank, Statutory Auditor of the Company, Promoter of our

Company, Directors of our Company, Company Secretary and Compliance Officer, Chief Financial Officer, Bankers to our Company as referred to, in their respective capacities.

- 8) Due Diligence Certificate from Lead Manager dated February 09, 2021.
- 9) Copy of In- Principle Approval from NSE by way of letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on NSE EMERGE (SME Platform of The National Stock Exchange of India Limited).

Any of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

We hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, 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, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all disclosures made in this Draft Prospectus are true and correct.

### SIGNED BY THE DIRECTORS OF THE COMPANY

| Name & Designation                                                          | Signature |
|-----------------------------------------------------------------------------|-----------|
| <b>Abhijeet Banerjee</b><br><i>Chairman and Executive director</i>          | Sd/-      |
| <b>Charitra Maheshwari</b><br><i>Managing director</i>                      | Sd/-      |
| <b>Gaurav Agarwal</b><br><i>Executive director</i>                          | Sd/-      |
| <b>Manvendra Pratap Singh</b><br><i>Executive director</i>                  | Sd/-      |
| <b>Pradeep Srivastava</b><br><i>Non-Executive and Independent Director</i>  | Sd/-      |
| <b>Inderpal Singh</b><br><i>Non-Executive and Independent Director</i>      | Sd/-      |
| <b>Ashish Kumar Tiwari</b><br><i>Non-Executive and Independent Director</i> | Sd/-      |
| <b>Asha Mittal</b><br><i>Non-Executive and Independent Director</i>         | Sd/-      |

### SIGNED BY THE KEY MANAGERIAL PERSONNEL OF THE COMPANY

| Name & Designation                                                               | Signature |
|----------------------------------------------------------------------------------|-----------|
| <b>Ashish Kumar Sonwani</b><br><i>Company Secretary &amp; Compliance Officer</i> | Sd/-      |
| <b>Chandan Tiwari</b><br><i>Chief Financial Officer</i>                          | Sd/-      |

|                                |
|--------------------------------|
| <b>Place:</b> New Delhi        |
| <b>Date:</b> February 09, 2021 |